

HOUSE BILL NO. 437

1/23 Introduced  
1/23 Referred to Business & Labor  
2/07 Hearing  
2/08 Adverse Committee Report  
2/09 Bill Killed

1 House BILL NO. 437  
 2 INTRODUCED BY Assembly Member Pistoris  
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT LIMITING TO 8 PERCENT  
 5 THE UTILITY RATE INCREASE A MUNICIPALITY MAY APPROVE WITHOUT  
 6 THE APPROVAL OF THE PUBLIC SERVICE COMMISSION; AMENDING  
 7 SECTIONS 69-7-101 AND 69-7-102, MCA."  
 8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 69-7-101, MCA, is amended to read:

11 "69-7-101. Municipal utilities -- regulation by  
 12 municipality -- limitation. A municipality has the power and  
 13 authority to regulate, establish, and change, as it  
 14 considers proper, rates, charges, and classifications  
 15 imposed for utility services to its inhabitants and other  
 16 persons served by municipal utility systems. Rates, charges,  
 17 and classifications shall be reasonable and just and, except  
 18 as provided in 69-7-102, they may not be raised to yield  
 19 more than ~~a-12%~~ an 8% increase in total annual revenues or,  
 20 in the case of mandated federal and state capital  
 21 improvements, the increase may not exceed amounts necessary  
 22 to meet the requirements of bond indentures or loan  
 23 agreements required to finance the local government's share  
 24 of the mandated improvements. Annual revenues must be  
 25 computed on any consecutive 12-month period for purposes of

1 this chapter."

2 Section 2. Section 69-7-102, MCA, is amended to read:

3 "69-7-102. Rate increases over maximum. (1) If a  
 4 municipal utility requires rate increases that yield an  
 5 increase in total revenues in excess of ~~12%~~ 8% in any one  
 6 year or rate increases for mandated federal and state  
 7 capital improvements for which the increase exceeds amounts  
 8 necessary to meet the requirements of bond indentures or  
 9 loan agreements required to finance the local government's  
 10 share of the mandated improvements, it must make application  
 11 for such increases to the public service commission.

12 (2) If the public service commission issues a rate  
 13 order approving such an increase, the municipality may not  
 14 increase any rates and charges under this chapter within 12  
 15 months of the commission's order unless an increase is  
 16 necessary to meet the requirements of bond indentures or  
 17 loan agreements required to finance the local government's  
 18 share for mandated federal and state capital improvements."

-End-

