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OFFICE WEST VIRGINIA SECRETARY OF STATE

# WEST VIRGINIA LEGISLATURE Regular Session, 2003 ENROLLED Committee Substitute for SENATE BILL NO. 4/2 (By Senator Love, et al PASSED March 8, 2003 In Effect <u>90 days</u> <u>Passage</u>

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### ENROLLED

### COMMITTEE SUBSTITUTE

FOR

### Senate Bill No. 412

(SENATORS LOVE, SHARPE, SPROUSE AND MINEAR, original sponsors)

[Passed March 8, 2003; in effect ninety days from passage.]

AN ACT to amend and reenact section nine, article thirteen-a, chapter sixteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to public service districts; public utility services; providing that unpaid charges for services do not become a lien against the owner of real property nor is the owner liable for the charges unless the owner contracted directly with the provider for the services; modifying deposit; and providing refund of deposit with interest.

Be it enacted by the Legislature of West Virginia:

That section nine, article thirteen-a, chapter sixteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

#### ARTICLE 13A. PUBLIC SERVICE DISTRICTS FOR WATER, SEWERAGE, STORMWATER AND GAS SERVICES.

### §16-13A-9. Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees.

1 (a) (1) The board may make, enact and enforce all 2 needful rules in connection with the acquisition, construc-3 tion, improvement, extension, management, maintenance, operation, care, protection and the use of any public 4 5 service properties owned or controlled by the district. The 6 board shall establish rates, fees and charges for the 7 services and facilities it furnishes, which shall be sufficient at all times, notwithstanding the provisions of any other 8 law or laws, to pay the cost of maintenance, operation and 9 10 depreciation of the public service properties and principal 11 of and interest on all bonds issued, other obligations 12 incurred under the provisions of this article and all reserve or other payments provided for in the proceedings which 13 14 authorized the issuance of any bonds under this article. The schedule of the rates, fees and charges may be based 15 16 upon:

(A) The consumption of water or gas on premises connected with the facilities, taking into consideration
domestic, commercial, industrial and public use of water
and gas;

(B) The number and kind of fixtures connected with thefacilities located on the various premises;

23 (C) The number of persons served by the facilities;

(D) Any combination of paragraphs (A), (B) and (C) ofthis subdivision; or

(E) May be determined on any other basis or classification which the board may determine to be fair and reasonable, taking into consideration the location of the premises
served and the nature and extent of the services and
facilities furnished. However, no rates, fees or charges for

stormwater services may be assessed against highways,
road and drainage easements or stormwater facilities
constructed, owned or operated by the West Virginia
division of highways.

35 (2) Where water, sewer, stormwater or gas services, or 36 any combination thereof, are all furnished to any premises, 37 the schedule of charges may be billed as a single amount 38 for the aggregate of the charges. The board shall require 39 all users of services and facilities furnished by the district 40 to designate on every application for service whether the 41 applicant is a tenant or an owner of the premises to be 42 served. If the applicant is a tenant, he or she shall state 43 the name and address of the owner or owners of the 44 premises to be served by the district. Notwithstanding the 45 provisions of section eight, article three, chapter twenty-46 four of this code to the contrary, all new applicants for 47 service shall deposit the greater of a sum equal to two 48 twelfths of the average annual usage of the applicant's 49 specific customer class or fifty dollars, with the district to secure the payment of service rates, fees and charges in the 50 51 event they become delinquent as provided in this section. 52If a district provides both water and sewer service, all new 53 applicants for service shall deposit the greater of a sum 54 equal to two twelfths of the average annual usage for 55 water service or fifty dollars and the greater of a sum 56 equal to two twelfths of the average annual usage for 57 wastewater service of the applicant's specific customer 58 class or fifty dollars. In any case where a deposit is 59 forfeited to pay service rates, fees and charges which were 60 delinquent at the time of disconnection or termination of 61 service, no reconnection or reinstatement of service may be 62 made by the district until another deposit equal to the 63 greater of a sum equal to two twelfths of the average usage 64 for the applicant's specific customer class or fifty dollars 65 has been remitted to the district. After twelve months of prompt payment history, the district shall return the 66 67 deposit to the customer or credit the customer's account at 68 a rate as the public service commission may prescribe:

69 *Provided.* That where the customer is a tenant, the district is not required to return the deposit until the time the 70 71 tenant discontinues service with the district. Whenever any rates, fees, rentals or charges for services or facilities 72 73 furnished remain unpaid for a period of twenty days after 74 the same become due and payable, the user of the services 75 and facilities provided is delinquent and the user is liable 76 at law until all rates, fees and charges are fully paid. The 77 board may, under reasonable rules promulgated by the 78 public service commission, shut off and discontinue water 79 or gas services to all delinquent users of either water or 80 gas facilities, or both, ten days after the water or gas 81 services become delinquent.

82 (b) In the event that any publicly or privately owned 83 utility, city, incorporated town, other municipal corporation or other public service district included within the 84 district owns and operates separately either water facili-85 ties or sewer facilities and the district owns and operates 86 the other kind of facilities, either water or sewer, as the 87 case may be, then the district and the publicly or privately 88 owned utility, city, incorporated town or other municipal 89 corporation or other public service district shall covenant 90 and contract with each other to shut off and discontinue 91 92 the supplying of water service for the nonpayment of 93 sewer service fees and charges: Provided, That any contracts entered into by a public service district pursuant to 94 this section shall be submitted to the public service 95 commission for approval. Any public service district 96 97 providing water and sewer service to its customers has the 98 right to terminate water service for delinquency in pay-99 ment of either water or sewer bills. Where one public service district is providing sewer service and another 100 public service district or a municipality included within 101 the boundaries of the sewer district is providing water 102 103 service, and the district providing sewer service experi-104 ences a delinquency in payment, the district or the munici-105 pality included within the boundaries of the sewer district 106 that is providing water service, upon the request of the

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107 district providing sewer service to the delinquent account,
108 shall terminate its water service to the customer having
109 the delinquent sewer account: *Provided, however*, That
110 any termination of water service must comply with all
111 rules and orders of the public service commission.

112 (c) Any district furnishing sewer facilities within the district may require, or may by petition to the circuit court 113 114 of the county in which the property is located, compel or may require the division of health to compel all owners, 115 116 tenants or occupants of any houses, dwellings and build-117 ings located near any sewer facilities where sewage will 118 flow by gravity or be transported by other methods approved by the division of health, including, but not 119 120 limited to, vacuum and pressure systems, approved under 121 the provisions of section nine, article one, chapter sixteen 122 of this code, from the houses, dwellings or buildings into 123the sewer facilities, to connect with and use the sewer facilities and to cease the use of all other means for the 124 collection, treatment and disposal of sewage and waste 125matters from the houses, dwellings and buildings where 126 127 there is gravity flow or transportation by any other 128 methods approved by the division of health, including, but 129 not limited to, vacuum and pressure systems approved 130 under the provisions of section nine, article one, chapter 131 sixteen of this code and the houses, dwellings and build-132 ings can be adequately served by the sewer facilities of the district and it is declared that the mandatory use of the 133 134 sewer facilities provided for in this paragraph is necessary 135 and essential for the health and welfare of the inhabitants 136 and residents of the districts and of the state. If the public 137 service district requires the property owner to connect 138 with the sewer facilities even when sewage from dwellings 139 may not flow to the main line by gravity and the property 140 owner incurs costs for any changes in the existing dwell-141 ings' exterior plumbing in order to connect to the main 142 sewer line, the public service district board shall authorize 143 the district to pay all reasonable costs for the changes in the exterior plumbing, including, but not limited to, 144

installation, operation, maintenance and purchase of a 145 pump or any other method approved by the division of 146 health. Maintenance and operation costs for the extra 147 148 installation should be reflected in the users charge for 149 approval of the public service commission. The circuit 150 court shall adjudicate the merits of the petition by sum-151 mary hearing to be held not later than thirty days after 152 service of petition to the appropriate owners, tenants or 153 occupants.

(d) Whenever any district has made available sewer 154 155 facilities to any owner, tenant or occupant of any house, 156 dwelling or building located near the sewer facility and 157 the engineer for the district has certified that the sewer 158 facilities are available to and are adequate to serve the 159 owner, tenant or occupant and sewage will flow by gravity 160 or be transported by other methods approved by the 161 division of health from the house, dwelling or building into 162 the sewer facilities, the district may charge, and the owner, 163 tenant or occupant shall pay the rates and charges for 164 services established under this article only after thirty-day notice of the availability of the facilities has been received 165 166 by the owner, tenant or occupant. Rates and charges for 167 sewage services shall be based upon actual water con-168 sumption or the average monthly water consumption 169 based upon the owner's, tenant's or occupant's specific 170 customer class.

171 (e) Whenever any district has made available a storm-172 water system to any owner, tenant or occupant of any real 173 property located near the stormwater system and where 174 stormwater from real property affects or drains into the 175 stormwater system, it is hereby found, determined and 176 declared that the owner, tenant or occupant is being served by the stormwater system and it is further hereby 177 178 found, determined and declared that the mandatory use of 179 the stormwater system is necessary and essential for the 180 health and welfare of the inhabitants and residents of the district and of the state. The district may charge, and the 181

182 owner, tenant or occupant shall pay the rates, fees and
183 charges for stormwater services established under this
184 article only after thirty-day notice of the availability of
185 the stormwater system has been received by the owner.

186 (f) All delinquent fees, rates and charges of the district 187 for either water facilities, sewer facilities, gas facilities or stormwater systems or stormwater management programs 188 189 are liens on the premises served of equal dignity, rank and priority with the lien on the premises of state, county, 190 191 school and municipal taxes. In addition to the other 192 remedies provided in this section, public service districts 193 are granted a deferral of filing fees or other fees and costs 194 incidental to the bringing and maintenance of an action in 195 magistrate court for the collection of delinquent water, 196 sewer, stormwater or gas bills. If the district collects the delinquent account, plus reasonable costs, from its cus-197 198 tomer or other responsible party, the district shall pay to the magistrate the normal filing fee and reasonable costs 199 200which were previously deferred. In addition, each public 201service district may exchange with other public service 202districts a list of delinquent accounts: Provided, That an 203 owner of real property may not be held liable for the 204 delinquent rates or charges for services or facilities of a 205tenant, nor may any lien attach to real property for the 206reason of delinquent rates or charges for services or facilities of a tenant of the real property, unless the owner 207208 has contracted directly with the public service district to 209 purchase the services or facilities.

210 (g) Anything in this section to the contrary notwith-211 standing, any establishment, as defined in section three, 212 article eleven, chapter twenty-two, now or hereafter 213 operating its own sewage disposal system pursuant to a 214 permit issued by the division of environmental protection, 215as prescribed by section eleven, article eleven, chapter twenty-two of this code, is exempt from the provisions of 216this section. 217

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

nan House Committee

Originated in the Senate.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

Tombh ' President of the Senate

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Speaker House of Delegates

prove ... this the .... The within Day of ..... .2003.

Governor



PRESENTED TO THE GOVERNOR Date 3/00/03 Time SOAm