

1 HB304  
2 189534-2  
3 By Representatives Williams (JD), Carns, Drake and Farley  
4 RFD: State Government  
5 First Read: 25-JAN-18

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8 SYNOPSIS: Under existing law, municipal water boards  
9 are exempt from regulation by the Public Service  
10 Commission.

11 This bill would bring under the jurisdiction  
12 of the Public Service Commission any Water Works  
13 board that serves water customers or has assets in  
14 four or more counties other than the county where  
15 the authorizing municipality is located.

16  
17 A BILL  
18 TO BE ENTITLED  
19 AN ACT

20  
21 Relating to municipal water boards; to amend  
22 Sections 11-50-241 and 37-1-34, Code of Alabama 1975; to bring  
23 under the jurisdiction of the Public Service Commission any  
24 Water Works board that serves water customers or has assets in  
25 four or more counties other than the county where the  
26 authorizing municipality is located.

27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1           Section 1. Sections 11-50-241 and 37-1-34, Code of  
2 Alabama 1975, are amended to read as follows:

3           "§11-50-241.

4           "(a) Neither this division nor anything contained in  
5 this division shall be construed as a restriction or  
6 limitation upon any power, right, or remedy which any  
7 corporation now in existence or hereafter formed may have in  
8 the absence thereof, but shall be construed as cumulative and  
9 independent of any such power, right or remedy. No  
10 proceedings, notice, or approval shall be required for the  
11 incorporation of such corporation, the acquisition of any  
12 property, or the making of any loans or issuance of  
13 instruments in evidence thereof or as security therefor,  
14 except as prescribed in this division, any other law to the  
15 contrary notwithstanding; provided, however, that nothing in  
16 this division shall be construed to suspend the jurisdiction  
17 of the State Board of Health as may be otherwise provided by  
18 law.

19           "(b) (1) Any corporation organized under the  
20 provisions of this division shall be exempt from all  
21 jurisdiction of and regulation by the Alabama Public Service  
22 Commission.

23           "(2) Notwithstanding subdivision (1), the Alabama  
24 Public Service Commission shall regulate a municipal  
25 corporation organized under the provisions of this division  
26 that, on or after January 1, 2018, either serves water

1 customers or has assets in four or more counties other than  
2 the county where the authorizing municipality is located.

3 "§37-1-34.

4 "(a) Nothing contained in this title shall be deemed  
5 to confer upon the commission the power and jurisdiction to  
6 regulate and supervise any utility owned and operated by any  
7 municipal corporation in the state.

8 "(b) Notwithstanding subsection (a), the Public  
9 Service Commission shall regulate and supervise a Water Works  
10 board that, on or after January 1, 2018, either serves water  
11 customers or has assets in four or more counties other than  
12 the county where the authorizing municipality is located."

13 Section 2. This act shall become effective on the  
14 first day of the third month following its passage and  
15 approval by the Governor, or its otherwise becoming law.