

1 HB340
2 196883-2
3 By Representatives Mooney, Ellis, Farley, Fridy, Drake, Carns
4 and Weaver (Constitutional Amendment)
5 RFD: Shelby County Legislation
6 First Read: 03-APR-19

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8 SYNOPSIS: Under existing law, privately owned sewer
9 systems, with certain exceptions, are regulated by
10 the Alabama Department of Environmental Management
11 with regard to sewage treatment, but are not
12 regulated by the Public Service Commission with
13 regard to rates and consumer protection.

14 This bill proposes a local constitutional
15 amendment for Shelby County, to bring certain
16 privately owned sewer systems that use public
17 rights-of-way of public roads under the
18 jurisdiction of the Public Service Commission.

19
20 A BILL
21 TO BE ENTITLED
22 AN ACT

23
24 Relating to Shelby County, to propose a local
25 constitutional amendment to the Constitution of Alabama of
26 1901, relating to privately owned sewer systems; to bring
27 certain privately owned sewer systems that use public

1 rights-of-way of public roads under the jurisdiction of the
2 Public Service Commission.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. The following amendment to the
5 Constitution of Alabama of 1901, is proposed and shall become
6 valid as a part of the Constitution when all requirements of
7 this act are fulfilled:

8 PROPOSED AMENDMENT

9 (a) This amendment shall apply only in Shelby
10 County.

11 (b) Except as provided for in subsection (c), any
12 privately owned plant, property, or facility for the
13 collection, treatment, or disposal of sewage that uses,
14 directly or through a lease or contract, public rights-of-way
15 of public roads for any part of its collection or disposal
16 system, that discharges to a Grade III or higher wastewater
17 treatment facility as classified by the Alabama Department of
18 Environmental Management, and that has residential or
19 commercial customers that are billed a flat service fee or fee
20 based on water usage shall be certified and regulated by the
21 Public Service Commission, which regulation shall include, but
22 not be limited to, regulation of the rates, charges, and
23 increases in rates or charges imposed on its customers. The
24 Public Service Commission shall certify and regulate the
25 utilities based on and in accordance with Title 22 and Title
26 37, Code of Alabama 1975, less and except subdivision (4) of
27 Section 22-25B-7 and Section 22-25B-8, Code of Alabama 1975.

1 Implementation of this amendment, whether gradual or at one
2 time, shall be determined by the commission.

3 (c) If the county or a municipality in the county
4 enters into a rate control agreement with an entity or
5 facility described in subsection (b), the county or
6 municipality may opt out of regulation by the Public Service
7 Commission as to and for any residential or commercial
8 customers affected by and subject to the rate control
9 agreement, and may opt back into regulation by the Public
10 Service Commission if the agreement is terminated, if any part
11 of the agreement is found to be invalid, or if the agreement
12 becomes void or unenforceable. In the event that an entity,
13 plant, property, or facility serves customers located in more
14 than one municipality, the opt out and opt in option will vest
15 only in the municipality having the largest number of
16 residents being so served.

17 Section 2. An election upon the proposed amendment
18 shall be held in accordance with Sections 284 and 284.01 of
19 the Constitution of Alabama of 1901, now appearing as Sections
20 284 and 284.01 of the Official ReCompilation of the
21 Constitution of Alabama of 1901, as amended, and the election
22 laws of this state.

23 Section 3. The appropriate election official shall
24 assign a ballot number for the proposed constitutional
25 amendment on the election ballot and shall set forth the
26 following description of the substance or subject matter of
27 the proposed constitutional amendment:

1 "Relating to Shelby County, proposing an amendment
2 to the Constitution of Alabama of 1901, to bring certain
3 privately owned sewer systems that use public rights-of-way of
4 public roads under the jurisdiction of the Public Service
5 Commission.

6 "Proposed by Act _____"

7 This description shall be followed by the following
8 language:

9 "Yes () No ()."