

The House Committee on Governmental Affairs offers the following substitute to HB 41:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 36-70-24 of the Official Code of Georgia Annotated, relating to
2 criteria for service delivery strategies, so as to change certain provisions relating to water and
3 sewer fees charged to customers located outside a service provider's geographical
4 boundaries; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Code Section 36-70-24 of the Official Code of Georgia Annotated, relating to criteria for
8 service delivery strategies, is amended by revising paragraph (2) and adding a new
9 paragraph (2.1) as follows:

10 "(2)(A) The strategy shall provide that water or sewer fees charged to customers
11 residing in political subdivisions created prior to January 1, 2000, located outside the
12 geographic boundaries of a service provider shall not be arbitrarily higher than the fees
13 charged to customers receiving such service which are located within the geographic
14 boundaries of the service provider.

15 (B) If a governing authority disputes the reasonableness of water and sewer rate
16 differentials imposed within its jurisdiction by another governing authority, that
17 disputing governing authority may hold a public hearing for the purpose of reviewing
18 the rate differential. Following the preparation of a rate study by a qualified engineer,
19 the governing authority may challenge the arbitrary rate differentials on behalf of its
20 residents in a court of competent jurisdiction. Prior to such challenge, the dispute shall
21 be submitted to some form of alternative dispute resolution;

22 (2.1) The strategy shall provide that water or sewer fees charged to customers residing
23 in political subdivisions created on or after January 1, 2000, located outside the
24 geographic boundaries of a service provider shall not be higher than the fees charged to
25 similar customers receiving such service which are located within the geographic
26 boundaries of the service provider unless otherwise provided by contract between the

27 service provider and the governing authority for the affected county or municipality
28 outside the geographic boundaries of the service provider; provided, however, that in
29 cases where no agreement is reached between the service provider and the affected
30 governing authority, the service provider shall have no obligation to continue to provide
31 water or sewer service to customers of the service provider located within the geographic
32 boundaries of the affected county or municipality outside of the geographic boundaries
33 of the service provider; and the service provider may, upon six months' written notice,
34 cease providing water or sewer service to such affected county or municipality and shall
35 incur no liability for failure to provide such water or sewer service to the customers
36 residing in the affected county or municipality;".

37 **SECTION 2.**

38 All laws and parts of laws in conflict with this Act are repealed.