

House Bill 449 (COMMITTEE SUBSTITUTE)

By: Representatives Rhodes of the 124th, Ridley of the 6th, Hitchens of the 161st, Smith of the 70th, Williams of the 148th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 46 of the Official Code of Georgia Annotated, relating to public utilities and
2 public transportation, so as to subject the rates and charges for water services provided
3 through certain water systems in this state to regulation by the Public Service Commission;
4 to provide for the review of certain increases to such rates and charges by the commission;
5 to provide for financial record keeping of companies that own such water systems; to provide
6 for rules and regulations; to provide for assessments and legislative recommendations by the
7 commission; to provide for construction; to provide for definitions; to provide an effective
8 date; to provide for related matters; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Title 46 of the Official Code of Georgia Annotated, relating to public utilities and public
12 transportation, is amended by revising Chapter 10, which is reserved, as follows:

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13 "CHAPTER 10

14 46-10-1.

15 As used in this chapter, the term:

16 (1) 'Covered water system' means any water system that is owned and operated by a
17 private company and that provides water services by means of pipes or conduits to 2,000
18 or more customer service connections in this state. Such term shall not include any water
19 system that is owned or operated by the state or any political subdivision or authority
20 thereof.

21 (2) 'Surface water' means all rivers, streams, branches, creeks, ponds, tributary streams,
22 drainage basins, natural lakes, and artificial reservoirs and impoundments.

23 (3) 'Water services' means water services, sanitary sewer services, or both.

24 (4) 'Water system' means a system for the provision to the public of piped water for
25 human consumption that is sourced exclusively from surface water, sanitary sewer
26 services, or both. Such term includes but is not limited to any collection, treatment,
27 storage, and distribution facilities under the control of the operator of such system and
28 used primarily in connection with such system and any collection or pretreatment storage
29 facilities not under such control which are used primarily in connection with such system.

30 46-10-2.

31 The rates and charges for water services provided through covered water systems shall be
32 just and reasonable and shall be subject to the jurisdiction of the commission as provided
33 in Code Section 46-10-3.

34 46-10-3.

35 (a) Any increase to the rates or charges for water services provided through a covered
36 water system that would amount to an increase of 15 percent or more to the lowest amount

37 such rates or charges have been set over the prior three calendar years shall be subject to
38 the jurisdiction of the commission as provided in Code Section 46-2-25, including, without
39 limitation, the authority of the commission, upon its election, to enter upon a hearing
40 concerning the lawfulness of such increase, and the company that owns such covered water
41 system shall comply with the notice provisions of subsection (a) of said Code section prior
42 to making such increase to such rates or charges.

43 (b) If a hearing on the lawfulness of an increase to the rates or charges for water services
44 provided through a covered water system is held pursuant to subsection (a) of this Code
45 section and the commission determines at such hearing that such increase is just and
46 reasonable, the commission shall not hold another hearing concerning an increase to the
47 rates or charges for water services provided through such covered water system for a period
48 of three years, unless the company that owns such covered water system intends to increase
49 the rates or charges for such water services during such three-year period by 15 percent or
50 more to the rates or charges found to be just and reasonable by the commission at such
51 hearing.

52 (c) For purposes of calculating whether an increase to the rates or charges for water
53 services provided through a covered water system constitutes an increase of 15 percent or
54 more to the lowest amount such rates or charges have been set over the prior three calendar
55 years, the following shall not be included in such calculation:

56 (1) One-time fees or charges assessed by the company that owns such covered water
57 system for connecting to the water or sewer lines of such covered water system; or

58 (2) Recovered costs that were incurred by the company that owns such covered water
59 system as the result of a flood, tornado, hurricane, earthquake, or other occurrence for
60 which the President of the United States has made a federal disaster declaration under the
61 federal Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C.
62 Sections 5121-5206.

63 46-10-4.

64 A company that owns a covered water system shall keep records relating to its financial
65 condition and profits and losses in accordance with generally accepted accounting
66 principles. Such records shall be made available to the commission upon request.

67 46-10-5.

68 The commission shall have the power to promulgate reasonable rules and regulations not
69 inconsistent with this chapter or other laws of this state that are necessary to carry out the
70 provisions of this chapter.

71 46-10-6.

72 The commission shall conduct regular assessments of its jurisdiction over the rates or
73 charges for water services provided through covered water systems as provided in this
74 chapter. When appropriate, the commission may make recommendations to the General
75 Assembly on any legislative changes or revisions to this chapter that may be needed to
76 regulate such rates or charges and to protect the interests of consumers in this state.

77 46-10-7.

78 Nothing in this chapter shall apply to water services provided by the state or any political
79 subdivision or authority thereof or subject such entities to the jurisdiction of the
80 commission. Reserved."

81 **SECTION 2.**

82 This Act shall become effective on January 1, 2026.

83 **SECTION 3.**

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