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H.255

Introduced by Representatives Dickinson of St. Albans Town, Norris of
Sheldon, and Savage of Swanton

Referred to Committee on

Date:

Subject: Municipal government; water works; rates

Statement of purpose of bill as introduced: This bill proposes to require voter
approval of water rates that are:

- (1) set by a separate municipal corporation outside the municipality where
the vote is to be held; and
- (2) based on the appraised or assessed value of the property to be served.

An act relating to voter approval of water supply rates

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 24 V.S.A. § 3311 is amended to read:

§ 3311. RATES

(a) ~~Such~~ A municipal corporation may establish rates by meter service or
annual rents to be charged and paid at ~~such~~ the times; and in ~~such~~ the manner
as ~~such~~ the municipal corporation shall determine for the supply of water to the
inhabitants of ~~such~~ the municipal corporation and others. From time to time, it
may alter, modify, increase, or diminish ~~such~~ the rates and extend them to any

1 description of property or use as ~~such~~ the municipal corporation may deem
2 proper. ~~Such rates~~ Rates or rents may be ordered to be paid in advance, and all
3 necessary orders and provision may be made and enforced by ~~such~~ the
4 municipal corporation, relating to the supply or stoppage of water, as it may
5 deem necessary to ~~insure~~ ~~such~~ ensure the advance payments.

6 (b) A municipal corporation shall not establish water supply rates based on
7 the appraised or assessed value of property within another town, city, or
8 incorporated village unless the voters of that town, city, or incorporated village
9 approve the rate basis at an annual or special meeting warned for that purpose.

10 Sec. 2. 24 V.S.A. § 3615 is amended to read:

11 § 3615. RENTS; RATES

12 (a) ~~Such~~ A municipal corporation, through its board of sewage disposal
13 commissioners, may establish charges to be called “sewage disposal charges,”
14 to be paid at ~~such~~ the times and in ~~such~~ the manner as the commissioners may
15 prescribe. The commissioners may establish annual charges separately for
16 bond repayment, fixed operations and maintenance costs, ~~(not dependent on~~
17 ~~actual use)~~, and variable operations and maintenance costs dependent on flow.
18 ~~Such charges~~ Charges may be based upon:

19 (1) the metered consumption of water on ~~premises~~ property connected
20 with the sewer system; however, the commissioners may determine no user

1 will be billed for fixed operations and maintenance costs and bond payment
2 less than the average ~~single family~~ single-family charge;

3 (2) the number of equivalent units connected with or served by the
4 sewage system based upon their estimated flows compared to the estimated
5 flows from a ~~single family~~ single-family dwelling; however, the
6 commissioners may determine no user will be billed less than the minimum
7 charge determined for the ~~single family~~ single-family dwelling charge for fixed
8 operations and maintenance costs and bond payment;

9 * * *

10 (4) the appraised value of ~~premises~~ property, in the event that the
11 commissioners shall determine the sewage disposal plant to be of general
12 benefit to the municipality regardless of actual connection with the same;

13 * * *

14 (b) The basis for establishing sewer disposal charges shall be reviewed
15 annually by sewage disposal commissioners. No ~~premises~~ property otherwise
16 exempt from taxation, including ~~premises~~ property owned by the State of
17 Vermont, shall, by virtue of ~~any such~~ the exemption, be exempt from charges
18 established ~~hereunder~~ pursuant to this section.

19 (c)(1) The commissioners may change the rates of ~~such~~ charges from time
20 to time as may be reasonably required.

1 (2) ~~Where~~ Whenever one of the bases of ~~such~~ a charge is the appraised
2 value and the ~~premises~~ property to be appraised ~~are~~ is tax exempt, the
3 commissioners may cause the listers to appraise ~~such~~ property, including State
4 property, for the purpose of determining the sewage disposal charges. The
5 right of appeal from ~~such~~ the appraisal shall be the same as provided in
6 32 V.S.A. chapter 131.

7 (3) Whenever one of the bases of a charge is the appraised value and the
8 property to be appraised is within a separate city, town, or incorporated village,
9 the commissioners shall not establish or change the rate on this basis unless the
10 voters of the city, town, or incorporated village approve the basis at an annual
11 or special meeting warned for that purpose.

12 (d) The Commissioner of Finance and Management is authorized to issue
13 his or her warrants for sewage disposal charges against State property and
14 transmit to the State Treasurer who shall draw a voucher in payment thereof.

15 (e) No charge so established and no tax levied under the provisions of
16 section 3613 of this title shall be considered to be a part of any tax authorized
17 to be assessed by the legislative body of any municipality for general purposes,
18 but shall be in addition to any ~~such~~ tax so authorized to be assessed. Sewage
19 disposal charges established in accord with this section may be assessed by the
20 board of sewage disposal commissioners as provided in section 3614 of this

1 title to derive the revenue required to pay pollution charges assessed against a
2 municipal corporation under 10 V.S.A. § 1265.

3 ~~(e)~~(f) When a sewage disposal charge established under this section for the
4 management of stormwater is applied to property owned, controlled, or
5 managed by the Agency of Transportation, the charge shall not exceed the
6 highest rate category applicable to other properties in the municipality, and the
7 Agency of Transportation shall receive a 35 percent credit on the charge. The
8 Agency of Transportation shall receive no other credit on the charge from the
9 municipal corporation.

10 Sec. 3. TRANSITION; SUPERSEDED RATES AND AUTHORITY

11 The amendments contained in Sec. 1 and Sec. 2 of this act shall supersede
12 any conflicting charter provision, municipal ordinance, municipal bylaw,
13 adopted water supply rate, or adopted sewer disposal charge that takes effect
14 prior to July 1, 2021.

15 Sec. 4. EFFECTIVE DATE

16 This act shall take effect on July 1, 2021.