# DIGEST

Montoucet                                                                                          HB No. 600

**Abstract:** Allows nonprofit water utility cooperatives wholly owned by water user members not under the jurisdiction of the PSC to conduct elections of its user members to make changes in rates charged for water.

Present law (Constitution) provides for the regulation of public utilities by the Public Service Commission.

Proposed law allows any nonprofit water utility cooperative wholly owned by water user members to conduct an election of its user members to approve any change in rates charged for water. Requires the board of directors to conduct a meeting of the board to determine the need for a rate change and requires a majority of the board to agree to request a change. Requires written notice by mail to all water user members 60 days prior to an election. Allows the election notice, which must contain a brief explanation of the reasons for requested change, to be included in a billing notice.

Proposed law further allows for an election to determine approval of a change in rates to be conducted by mail ballot or by written ballot at a public meeting of water user members. Requires the cooperative to pay all costs of the election. Requires affirmative approval by a majority vote of the water user members to change the rates.

Proposed law provides that if the board of directors fails to implement the approved rate change within 60 days after the ballots are tabulated, the election is void and a new election must be held before a change in rates. Requires at least 3 years between elections requesting a rate change, unless the board of directors declares by majority vote that an emergency exists requiring a rate change.

Effective January 1, 2014.

(Adds R.S. 12:435.1-435.2)