

2014 -- S 2341

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LC004529
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

A N A C T

RELATING TO WATERS AND NAVIGATION - WATER SUPPLY PROTECTION CHARGE

Introduced By: Senator V. Susan Sosnowski

Date Introduced: February 12, 2014

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 46-15.3-5 of the General Laws in Chapter 46-15.3 entitled "Public
2 Drinking Water Supply System Protection" is hereby amended to read as follows:

3 **46-15.3-5. Water quality protection charge.** -- (a) There is hereby imposed on each
4 supplier of water, for the purpose of protecting the quality and safety of the public supply of
5 water, a charge to be known as a "water quality protection charge" based upon billings for sales
6 of every supplier of public drinking water at the rate of two and ninety two hundredth cents
7 (\$.0292) per one hundred (100) gallons of each sale, whether the water is used for drinking or
8 other purposes. No supplier shall impose a water quality protection charge upon sales to other
9 suppliers of drinking water. Except as provided in subsections (c), (d) and (e) hereof, the supplier
10 shall add any water quality protection charge imposed hereunder to the sale price, and, when
11 added, the water quality protection charge shall constitute a part of the price and shall also be a
12 debt from the purchaser to the supplier and be collectible in the same manner and have the benefit
13 of any lien provided for the amounts due for water charges from the purchaser to the supplier.
14 ~~Provided, however, the water quality protection charge shall not be subject to the sales and use~~
15 ~~tax.~~ Subject to the provisions of section 39-1.1-1 for those suppliers which are public utilities, all
16 suppliers may terminate service for failure of purchasers to pay the water quality protection
17 charge.

18 (b) Any water quality protection charge imposed hereunder shall not take effect earlier
19 than January 1, 1989; provided, however, the increase in water quality protection charge by one

1 and one-third cents (\$0.01333) established by P.L. 1990, Ch. 65, Art. 39, section 1 shall take
2 effect and be chargeable on all billings for water sales made by a supplier on and after July 1,
3 1991.

4 (c) Each supplier shall provide for the exemption from the water quality protection
5 charge, for any sale to a purchaser sixty-five (65) years of age and over purchasing water for the
6 personal consumption of that person and other members of the person's household under
7 reasonable rules and regulations.

8 (d) All commercial agricultural producers, including those who provide food and fiber,
9 shall be exempt for that amount of water used to irrigate commercial crops either in fields or
10 greenhouses, provided, that the producers have a conservation plan on file with their respective
11 soil conservation districts.

12 (e) No water quality protection charge shall be imposed on that portion of such supplier's
13 retail billing representing potable water furnished to customers by purchase of water in its
14 finished, potable form from sources outside the state. The water quality protection charge
15 imposed by a supplier purchasing potable water from outside the state shall be pro rata imposed
16 on such supplier's retail billings for that portion of potable water supplied from within the state in
17 accordance with rules and regulations to be finally promulgated by the water resources board on
18 or before September 1, 1992.

19 (f) If any supplier of water fails to pay the water quality protection charge imposed upon
20 it, upon determination by the water resources board of failure to pay and the amount unpaid, there
21 shall be withheld from any state aid or grants of any nature due such supplier an equivalent
22 amount and such monies shall be transferred to the appropriate water quality protection fund
23 created under section 46-15.3-10.

24 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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- 1 This act would impose sales and use tax on the "Water Supply Protection Charge"
- 2 previously imposed on water bills.
- 3 This act would take effect upon passage.

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