

By Mr. Barrett, a petition (accompanied by bill, Senate, No. 1093) of Michael J. Barrett and Geoffrey C. Beckwith for legislation to establish in the Executive Office of Environmental Affairs a matching grant and technical assistance program. Natural Resources and Agriculture.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Nine.

AN ACT TO ESTABLISH IN THE EXECUTIVE OFFICE OF ENVIRONMENTAL AFFAIRS A MATCHING GRANT AND TECHNICAL ASSISTANCE PROGRAM.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 21A of the General Laws is hereby amended by insert-
2 ing at the end of section 15 the following new section: —

3 Section 16. There is hereby established within the executive
4 office of environmental affairs an office of water and sewer rate
5 policy which shall be administered by a director who shall be
6 appointed and may be removed by the secretary. The director shall
7 be knowledgeable in the field of water and sewer service pricing.
8 The director shall appoint all necessary employees within his office,
9 except as may be otherwise provided by law. The positions of
10 director and any other employees in the office shall not be sub-
11 ject to the provisions of chapter thirty-one or section nine A of
12 chapter thirty.

13 The office shall establish and operate a program of grants to
14 local bodies for the purposes of studying their existing water or sewer
15 service rate structures, analyzing possible economic, social and
16 other impacts due to changes in those rate structures, and design-
17 ing new rate structures. For the purposes of this section, "local
18 bodies" shall have the meaning described in section 2(h) of
19 Chapter 372 of the Acts of 1984.

20 No grant shall exceed fifty percent of the cost of such work.
21 In evaluating applications for grant awards, the office shall take
22 into consideration the following:

23 (1) The degree to which an applicant's residential customers are
24 experiencing or anticipate experiencing in the near future "rate
25 shock", defined as water or sewer service rates increases which
26 are projected to rise at a percentage amount double the percentage
27 rise in the United States Consumer Price Index for January first
28 of the current year over the level of the Index for January first
29 of the previous year.

30 (2) An applicant's commitment to developing and implement-
31 ing a rate structure which encourages water conservation and
32 ensures a fair and reasonable cost burden on residential
33 customers.

34 Studies funded under this program shall consider the feasibility
35 of the following types of rate structures or combinations thereof:

36 (1) Ascending unit rates.

37 (2) Lifeline rates, in which a basic amount of water or sewer
38 service is provide at low cost to residential customers.

39 (3) Classification of rates, in which water or sewer rates varying
40 according to the type of use (e.g. residential, commercial, or indus-
41 trial).

42 As staffing and funds permit, the office may also provide direct
43 technical assistance to local bodies for the purpose of improving
44 water or sewer rate structures. Technical assistance provided
45 under this section shall promote the types of rate schedules
46 described herein.