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PUBLIC UTILITIES COMMISSION

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Testimony in Support of
LD 245 – An Act Regarding Rural Water Districts

May 18, 2021

Senator Lawrence, Representative Berry, honorable members of the Committee on Energy, Utilities, and Technology, the Public Utilities Commission (Commission) testifies in support of [LD 245](#), *An Act Regarding Rural Water Districts*.

This legislation, as proposed to be amended by its sponsor, authorizes the Commission to appoint a receiver to oversee the day to day operations of water districts when they lack a quorum of duly elected trustees. The receiver would have all the authorities of a full board of trustees and remain in place until a quorum of trustees is achieved as specified by the district's charter.

Unfortunately, it is not uncommon for rural water districts located in towns with relatively small populations to experience periods of time when they have less than the number of trustees needed to meet the quorum requirements of their charters. Under these circumstances, a district lacks the authority to operate lawfully. They cannot legally sign documents, pay bills, make payroll, or purchase equipment and chemicals required for the operation of the district. Many charters do not include provisions for the appointment of temporary trustees that can serve during the interim while elections are held to fill vacancies.

This bill provides a reasonable mechanism that allows for the continued operation of a water district that lacks a quorum of trustees in the interim period before additional trustees are elected. The Commission would only exercise this authority when a district's charter does not include provisions for the appointment of temporary trustees. Otherwise, the charter provisions would control.

The Commission is available to provide additional information and plans to attend the work session.

Sincerely,

Garrett Corbin
Legislative Liaison

cc: Energy, Utilities, and Technology Committee Members
Deirdre Schneider and Daniel Tartakoff, Legislative Analysts