

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4

As Engrossed: S3/11/13

# A Bill

SENATE BILL 670

5 By: Senator B. Pierce  
6

## For An Act To Be Entitled

8 *AN ACT TO EXEMPT SMALL WATER SYSTEMS AND SMALL SEWAGE*  
9 *SYSTEMS FROM REGULATION BY THE ARKANSAS PUBLIC*  
10 *SERVICE COMMISSION; AND FOR OTHER PURPOSES.*

### Subtitle

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13 *TO EXEMPT SMALL WATER SYSTEMS AND SMALL*  
14 *SEWAGE SYSTEMS FROM REGULATION BY THE*  
15 *PUBLIC SERVICE COMMISSION.*  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code § 23-1-101(9)(A)(ii)(b), concerning small  
22 water systems under the definitions of public utility, is amended to read as  
23 follows:

24 (b) ~~All entities~~ An entity whose annual  
25 operating revenues would cause ~~them~~ the entity to be classified as ~~Class C a~~  
26 Class B or lower water ~~companies~~ company pursuant to the uniform system of  
27 accounts adopted by the Arkansas Public Service Commission. However, the term  
28 "public utility" ~~shall include~~ includes any water company ~~which that~~  
29 petitions, or a majority of whose metered customers petition, the Arkansas  
30 Public Service Commission to come under the ~~commission's~~ Arkansas Public  
31 Service Commission's jurisdiction ~~provided that if~~ if the water company ~~must~~  
32 ~~have~~ had combined annual operating revenues in excess of four hundred  
33 thousand dollars (\$400,000) for the three (3) fiscal years immediately  
34 preceding the date of filing the petition; or  
35

36 SECTION 2. Arkansas Code § 23-1-101(9)(A)(vi)(b), concerning small



1 sewer companies under the definitions of public utility, is amended to read  
2 as follows:

3 (b) ~~All entities~~ An entity whose annual  
4 operating revenues would cause ~~them~~ the entity to be classified as ~~Class C~~ a  
5 Class B or lower sewer ~~companies~~ company pursuant to the uniform system of  
6 accounts adopted by the Arkansas Public Service Commission; or

7  
8 SECTION 3. Arkansas Code § 23-1-101(9)(G), concerning small water  
9 companies and small sewer companies under the definitions of public utility,  
10 is amended to read as follows:

11 (G)(i)(a) Within ~~any~~ a county not subject to subdivision  
12 (9)(G)(i)(b) of this section, ~~any~~ a ~~Class C~~ Class B or lower water company or  
13 ~~Class C~~ Class B or lower sewer company that would otherwise be exempt from  
14 the definition of "public utility" under subdivision (9)(A)(ii)(b) or  
15 subdivision (9)(A)(vi)(b) of this section shall be included within the term  
16 "public utility" if the ~~Class C~~ Class B or lower water company or ~~Class C~~  
17 Class B or lower sewer company petitions the Arkansas Public Service  
18 Commission to have the company included. The provisions of this section do  
19 not apply to a water or sewer ~~companies~~ company formed under the nonprofit  
20 corporation laws of this state or any improvement district or water  
21 distribution district law of this state.

22 (b) All ~~Class C~~ Class B or lower water  
23 companies or ~~Class C~~ Class B or lower sewer companies that would otherwise be  
24 exempt from the definition of "public utility" under subdivision  
25 (9)(A)(ii)(b) or subdivision (9)(A)(vi)(b) of this section shall be included  
26 within the term "public utility" if a majority of the customers of the  
27 company petition the Arkansas Public Service Commission to have the company  
28 included. The Arkansas Public Service Commission shall determine the  
29 sufficiency of the petition at a public hearing. The water or sewer company  
30 or any customer of the company may appear and present evidence on the  
31 sufficiency of the petition. The provisions of this section do not apply to a  
32 water or sewer ~~companies~~ company formed under the nonprofit corporation laws  
33 of this state or any improvement district or water distribution district law  
34 of this state.

35 (ii) The Arkansas Public Service Commission shall  
36 adopt ~~regulations~~ rules governing the petition process.

1 (iii) A ~~Class C~~ Class B or lower water company or  
2 sewer company shall provide the Arkansas Public Service Commission a list of  
3 metered customers upon request;

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5 /s/B. Pierce  
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