



# State of Tennessee

## PUBLIC CHAPTER NO. 657

HOUSE BILL NO. 1727

By Representatives Gillespie, Hazlewood

Substituted for: Senate Bill No. 1757

By Senator Reeves

AN ACT to amend Tennessee Code Annotated, Section 7-34-115; Section 7-82-307; Section 7-82-308; Section 7-82-314; Section 7-82-401; Section 7-82-702; Section 7-82-705; Section 7-82-709; Section 68-221-1010; Section 68-221-1012; Section 68-221-1016; Section 68-221-1206; Section 68-221-1006 and Section 68-221-1009, relative to utilities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-34-115, is amended by adding the following as a new subdivision (j)(8):

(8)

(A) By January 31 of each year, each municipal utility board commissioner shall file with the municipality an annual written statement on a form developed by the comptroller of the treasury that certifies the training and continuing education courses attended by the commissioner during the prior calendar year.

(B) The annual written statement must:

(i) Identify the date of each course attended; the course's subject matter, location, and sponsor; and the hours attended for each course; and

(ii) Include a certificate of attendance, on a form acceptable to the comptroller of the treasury, for each course listed on the annual written statement that certifies the municipal utility board commissioner attended the course.

(C) For years in which the municipal utility board commissioner did not attend training or continuing education courses, the commissioner shall file an annual written statement certifying that the commissioner attended no training that year.

(D) A municipality shall keep a copy of an annual written statement filed pursuant to this subdivision (j)(8) for six (6) years following the calendar year in which the annual written statement was filed.

SECTION 2. Tennessee Code Annotated, Section 7-82-307, is amended by deleting subdivision (b)(5) and substituting:

(5)

(A) A utility district commissioner who fails to meet the training and continuing education requirements set forth in § 7-82-308 before the end of any continuing education period or before the end of an extension approved by the comptroller of the treasury or the comptroller's designee is not eligible for reappointment or reelection to another term of office.

(B) An existing utility district commissioner who is nominated for reappointment under this part shall certify to the appointing mayor prior to

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reappointment that the utility district commissioner has complied with the continuing education requirements set forth in § 7-82-308.

(C) An existing utility district commissioner who is seeking reelection shall certify to the district prior to being placed on the ballot that the utility district commissioner has complied with the continuing education requirements set forth in § 7-82-308.

SECTION 3. Tennessee Code Annotated, Section 7-82-308, is amended by deleting subdivision (f)(4) and substituting:

(A) By January 31 of each year, each utility district commissioner shall file with the utility district an annual written statement on a form developed by the comptroller of the treasury that certifies the training and continuing education courses attended by the commissioner during the prior calendar year.

(B) The annual written statement must:

(i) Identify the date of each course attended; the course's subject matter, location, and sponsor; and the hours attended for each course; and

(ii) Include a certificate of attendance, on a form acceptable to the comptroller of the treasury, for each course listed on the annual written statement that certifies the utility district commissioner attended the course.

(C) For years in which the utility district commissioner did not attend training or continuing education courses, the commissioner shall file an annual written statement certifying that the commissioner attended no training for that year.

(D) A utility district shall keep a copy of an annual written statement filed pursuant to this subdivision (f)(4) for six (6) years following the calendar year in which the annual written statement was filed.

(E) The failure to file the annual written statement pursuant to this subdivision (f)(4) causes a commissioner to be ineligible to receive further payment or benefit as provided in subsection (a) until the annual written statement is filed.

SECTION 4. Tennessee Code Annotated, Section 7-82-314, is amended by designating the current language as subsection (a) and adding the following:

(b) A utility district that purchases more than fifty percent (50%) of its total water for resale must include the contract for the purchase of water for resale simultaneously with the report required by subsection (a).

SECTION 5. Tennessee Code Annotated, Section 7-82-401, is amended by deleting subsections (h) and (i) and substituting:

(h)

(1) Utility districts operating public water systems shall submit to the comptroller of the treasury a water loss report on a form prescribed by the utility management review board to be due simultaneously with the report required by § 7-82-314. Failure of the utility district to submit the water loss report required by this subsection (h) constitutes excessive water loss and the comptroller of the treasury shall refer the utility district to the utility management review board. Within sixty (60) days from the time that a utility district's water loss report is submitted to the comptroller of the treasury, the comptroller of the treasury shall file with the utility management review board the water loss report of a utility district operating a water system whose water loss is excessive as established by parameters adopted by the utility management review board.

(2) For the purposes of subdivision (h)(1), "utility district" includes agencies, authorities, or instrumentalities of government created by public or private act having the authority to administer a water or wastewater facility.

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(i) The comptroller of the treasury shall annually publish on its website a written report listing the average annual water loss contained in the water loss report for those utility districts described in subsection (h).

SECTION 6. Tennessee Code Annotated, Section 7-82-702, is amended by deleting subdivision (a)(16) and substituting:

(16) Establish, adopt, and endorse by formal action, parameters to define excessive water losses for utility districts and prescribe a water loss report to be submitted to the comptroller of the treasury each year in accordance with § 7-82-401(h);

SECTION 7. Tennessee Code Annotated, Section 7-82-705, is amended by deleting the section and substituting:

The board shall publish annually on its public website a report describing the activities of the board for the preceding year. The board shall receive and consider from any source, whether private or governmental, suggestions for amendments to this chapter, and, on the basis of the suggestions, may recommend amendments under § 7-82-702(a)(10).

SECTION 8. Tennessee Code Annotated, Section 7-82-709, is amended by deleting subsection (b) and substituting:

(b) The utility management review board has the authority to investigate public water systems of utility districts whose water loss as reported in the utility district's annual water loss report submitted pursuant to § 7-82-401(h) is excessive as established by parameters determined by the board. If a utility district fails to take the appropriate actions required by the board to reduce water loss to an acceptable level, then the utility management review board may petition the chancery court in a jurisdiction in which the utility district is operating to require the utility district to take such actions.

SECTION 9. Tennessee Code Annotated, Section 68-221-1006, is amended by deleting subdivision (a)(2)(E) and substituting:

(E) The authority is authorized to direct the local government to the Tennessee public utility commission, created by § 65-1-101, for compliance.

SECTION 10. Tennessee Code Annotated, Section 68-221-1009(a), is amended by deleting subdivisions (7) and (8) and substituting:

(7) Establish, adopt, and endorse by formal action, parameters to define excessive water losses for public water systems and prescribe a water loss report to be submitted to the comptroller of the treasury each year in accordance with § 68-221-1012(b); and

(8) In the case of public water systems, to investigate public water systems whose water loss as reported in the public water system's annual water loss report submitted pursuant to § 68-221-1012(b) is excessive as established by parameters determined by the board and to require those public water systems to take appropriate actions to reduce water loss to an acceptable level as determined by the board.

SECTION 11. Tennessee Code Annotated, Section 68-221-1010, is amended by deleting subsection (d) and substituting:

(d)

(1) Within sixty (60) days from the time that a water system's water loss report is filed with the comptroller of the treasury pursuant to § 68-221-1012(b), the comptroller of the treasury shall file with the board the water loss report of any water system whose water loss is excessive as established by parameters determined by the board. Failure of the water system to submit the water loss report required in § 68-221-1012(b) constitutes excessive water loss and the comptroller of the treasury shall refer the water system to the water and wastewater financing board.

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(2) In the event a water system fails to take the appropriate actions required by the board to reduce the water loss to an acceptable level pursuant to § 68-221-1009(a)(8), the board may petition the chancery court in a jurisdiction in which the water system is operating to require the water system to take such actions.

(3) Each year, the comptroller of the treasury shall publish on its public website a written report listing the average annual water loss contained in the annual water loss report for those utility systems described in this subsection (d).

SECTION 12. Tennessee Code Annotated, Section 68-221-1012, is amended by deleting subsection (b) and substituting:

(b) Public water systems shall submit to the comptroller of the treasury a water loss report on a form prescribed by the water and wastewater financing board to be due simultaneously with the report required by § 68-221-1016.

SECTION 13. Tennessee Code Annotated, Section 68-221-1016, is amended by designating the current language as subsection (a) and adding the following:

(b) A water system that purchases more than fifty percent (50%) of its total water for resale must include the contract for the purchase of water for resale simultaneously with the report required by subsection (a).

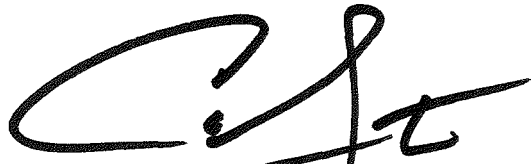
SECTION 14. Tennessee Code Annotated, Section 68-221-1206, is amended by deleting subdivision (f)(11)(E) and substituting:

(E) The Tennessee local development authority has the authority to direct a privately owned for-profit community public water system to the Tennessee public utility commission, created by § 65-1-101, for compliance.

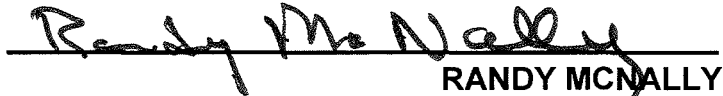
SECTION 15. This act takes effect upon becoming a law, the public welfare requiring it.

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PASSED: February 28, 2022



CAMERON SEXTON, SPEAKER  
HOUSE OF REPRESENTATIVES



RANDY MCNALLY  
SPEAKER OF THE SENATE

APPROVED this 15<sup>th</sup> day of March 2022



BILL LEE, GOVERNOR