

State of Jennessee

# **PUBLIC CHAPTER NO. 140**

### SENATE BILL NO. 417

## By Tracy, Bowling

#### Substituted for: House Bill No. 195

#### By Marsh

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 82, relative to utility districts.

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

SECTION 1. Tennessee Code Annotated, Section 7-82-102(a)(1), is amended by adding the following as a new subdivision:

(D) For purposes of this subdivision (a)(1), "genuine signatures" means written, original signatures and excludes facsimile and electronic signatures of any kind.

SECTION 2. Tennessee Code Annotated, Section 7-82-307(b)(1), is amended by adding the following as a new subdivision:

(C) For purposes of this subdivision (b)(1), "genuine signatures" means written, original signatures and excludes facsimile and electronic signatures of any kind.

SECTION 3. Tennessee Code Annotated, Section 7-82-402(a)(1)(A), is amended by deleting the word "water" wherever it appears.

SECTION 4. Tennessee Code Annotated, Section 7-82-701(b)(2), is amended by deleting the language "designee; and" and substituting instead the language "designee, who shall serve as chair; and".

SECTION 5. Tennessee Code Annotated, Section 7-82-701(e), is amended by deleting the subsection in its entirety.

SECTION 6. Tennessee Code Annotated, Section 7-82-402(a)(1)(B), is amended by deleting the word "water" and substituting instead the language "water or sewer".

SECTION 7. Tennessee Code Annotated, Section 7-82-702, is amended by deleting subdivisions (7), (8), and (9) in their entirety and substituting instead:

(7) Review and conduct an informal hearing of any decision of any utility district under § 7-82-402(a), regardless of exemptions or exclusions as may be enumerated in § 7-82-103, upon simple written request of any utility district customer or any member of the public within thirty (30) days after such decision. In making its decision as to whether the published rates are too high or too low, the utility management review board shall take into account the reasonableness of the utility district's rules, policies, and cost of service as well as any evidence presented during the hearing. Any judicial review of any decision of the board will be held by common law certiorari within the county in which the hearing was held;

(8) Upon the failure of the board of commissioners of a utility district to adopt the rules and regulations required by § 7-82-402(b), regardless of exemptions or exclusions as may be enumerated in § 7-82-103, or any other section of this chapter or, upon the failure of a utility district to consider and resolve consumer complaints in accordance with such rules and regulations, establish an alternate mechanism for consideration and resolution of such complaints through an informal hearing process. In making its decision as to whether the complaint was resolved in accordance with the utility district's rules and regulations, the utility management review board shall also take into account the reasonableness of the utility

district's application of its rules, policies, and cost of service as well as any evidence presented during the hearing. Any judicial review of any decision of the board will be held by common law certiorari within the county in which the hearing was held;

(9) Review and conduct an informal hearing of any decision of any utility district upon a written request of any utility district customer or an affected developer concerning the justness and reasonableness of the utility district's requirement that the customer or the developer build utility systems to be dedicated to the utility district or the justness and reasonableness of fees or charges against the customer or the developer related to the utility systems. The written complaint must be filed within thirty (30) days after the utility board has taken action upon a written complaint to the board of commissioners of the utility district. In making its decision as to whether the requirements, fees, or charges are just and reasonable, the utility management review board shall take into account the reasonableness of the utility district's rules, policies, and cost of service as well as any evidence presented during the hearing. Any judicial review of any decision of the board will be held by common law certiorari within the county in which the hearing was held;

SECTION 8. Tennessee Code Annotated, Section 7-82-702, is amended by deleting subdivision (19) and substituting the following language as a new subsection (b):

(b) In the conduct of any informal hearing upon request or complaint, the board may receive affidavit evidence, in addition to minutes, transcripts, and other evidence of actions by the utility district, and may render its decision thereon or, if it shall deem an open hearing appropriate, may order the interested parties be notified of the date, time, and place that such hearing will be held.

SECTION 9. Tennessee Code Annotated, Section 7-82-401(e), is amended by deleting this subsection in its entirety and substituting instead:

(e) A copy of such annual statement and audit shall be filed with the county mayor or mayors where publication is required in accordance with this section and § 7-82-608.

SECTION 10. Tennessee Code Annotated, Section 7-82-501(b), is amended by deleting the language "retained earnings" and substituting instead "net position".

SECTION 11. Tennessee Code Annotated, Section 7-82-501(b), is amended by deleting the language "net income" and substituting instead "change in net position".

SECTION 12. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 13. This act shall take effect upon becoming a law, the public welfare requiring it.

# SENATE BILL NO. 417

PASSED:

April 2, 2015

SPEAKER OF THE SENATE

BETH HARWELL, SPEAKER HOUSE OF REPRESENTATIVES

day of Upril 16. APPROVED this \_ 2015

BILL HASLAM, GOVERNOR