

Stricken language would be deleted from and underlined language would be added to present law.  
Act 662 of the Regular Session

State of Arkansas  
89th General Assembly  
Regular Session, 2013

As Engrossed: S3/11/13  
**A Bill**

SENATE BILL 670

By: Senator B. Pierce

### For An Act To Be Entitled

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

### Subtitle

*TO EXEMPT SMALL WATER SYSTEMS AND SMALL  
SEWAGE SYSTEMS FROM REGULATION BY THE  
PUBLIC SERVICE COMMISSION.*

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

SECTION 1. Arkansas Code § 23-1-101(9)(A)(ii)(b), concerning small water systems under the definitions of public utility, is amended to read as follows:

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

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



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

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

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

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

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

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

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

*/s/B. Pierce*

**APPROVED: 04/04/2013**