

Stricken language would be deleted from and underlined language would be added to present law.  
Act 1056 of the Regular Session

State of Arkansas  
91st General Assembly  
Regular Session, 2017

As Engrossed: S3/1/17 H3/27/17  
**A Bill**

SENATE BILL 376

By: Senator A. Clark

### For An Act To Be Entitled

AN ACT TO CREATE THE WATER PROVIDER LEGISLATIVE TASK  
FORCE; AND FOR OTHER PURPOSES.

#### Subtitle

TO CREATE THE WATER PROVIDER LEGISLATIVE  
TASK FORCE.

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

SECTION 1. DO NOT CODIFY.

Arkansas Water Provider Legislative Task Force.

(a) The General Assembly finds that:

- (1) Utilities by their inherent nature are often monopolies;
- (2) The people grant these monopolies as a way of enhancing service and economic development and not the opposite;
- (3) If service is being well provided, the most people possible are enjoying the use of the service, and economic development is aided, then it may be said the monopoly is being used well;
- (4) If service is not well provided, many people are denied service, and economic development is diminished or thwarted, then it may be said the monopoly is not being used well;
- (5) A monopoly should not be granted or allowed to continue in the same hands if the people served or people who should be served are being harmed;
- (6) No utility provides a more basic need for human life and economic development than a water provider;
- (7) To this date in the state, no monopoly has been given more



power to decide whether to serve or not to serve than a water provider;

(8) It has been brought into question if water providers in some locales are doing the best job to provide the best service to the most people and to enhance economic development;

(9) To determine whether a water provider is providing adequately or not in exchange for the monopoly granted, there need to be standards by which to judge the water providers; and

(10) The people of this state deserve to have a fair set of standards when seeking to obtain a service so basic to human life.

(b) The General Assembly intends that a water provider:

(1) Should not have to provide water outside the areas that the water provider has agreed to serve;

(2) Does not have to bear any cost to provide new service within the service area unless the water provider bears that cost for the same type of new service to all customers within the service area;

(3) May set rates that vary by location and political subdivision, unless the water provider has required an agreement to do otherwise when service is established; and

(4)(A) Shall not be required to extend water lines or provide water for any area that the water provider has not agreed to serve.

(B) As used in this subdivision (b)(4), "agreed to serve" means any area that the water provider has agreed to serve by original charter and any area the water provider has agreed to serve in subsequent actions, including without limitation accepting water lines and providing service.

(C) All areas within the platted area of a municipality or water district shall be included whether or not there is a water main directly adjacent to a water customer.

(c) The General Assembly intends that a water customer:

(1) Within a service area of a water provider, shall not be discriminated against based on race, gender, marital status, religion, or the political subdivision within which the water customer resides, except that:

(A) Different types of water customers may have different sets of rules as may be practical for those type of divisions; and

(B) This subdivision (c)(1) does not affect a water provider's right to set different rates for water itself, based on geographic

location or political subdivision;

(2) Within a water provider service area, cannot be made to meet new requirements to obtain water unless all similar water customers, regardless of location, also meet those requirements; and

(3) Within a service area already serviced by a water provider, shall not be required to annex into a municipality or other political subdivision if that requirement was not in place when the area became part of the water provider's service area.

(d)(1) To provide a better water provider system, to aid in obtaining basic water service for as many Arkansans as possible, and to enhance economic development in the state, there is established the Water Provider Legislative Task Force.

(2)(A) The task force shall study and provide a blueprint for water security and development for the state.

(B) The blueprint shall include the best practices for providing water to the most citizens in as broad a way and as economically as possible and providing for the water needs and practices to bring economic development to the state in a dependable and structured way.

(3) The task force shall consist of the following:

(A) The President Pro Tempore of the Senate or his or her designee;

(B) The Speaker of the House of Representatives or his or her designee;

(C) The Chair of the Senate Committee on City, County, and Local Affairs or his or her designee;

(D) The Chair of the House Committee on City, County, and Local Affairs or his or her designee;

(E) A member of the minority party of the General Assembly to be appointed by the President Pro Tempore of the Senate and the Speaker of the House of Representatives;

(F) A member of the majority party of the General Assembly to be appointed by the President Pro Tempore of the Senate and the Speaker of the House of Representatives;

(G) The Executive Director of the Arkansas Natural Resources Commission or his or her designee;

(H) The Executive Director of the Arkansas Economic

Development Commission or his or her designee;

(I) The Chair of the Arkansas State Chamber of Commerce or his or her designee;

(J) A member or staff person of the Arkansas Municipal League to be appointed by the Speaker of the House of Representatives;

(K) A member or staff person of the Association of Arkansas Counties to be appointed by the President Pro Tempore of the Senate;

(L) An active Arkansas home builder to be appointed by the Governor;

(M) A member of the Arkansas Rural Water Association to be designated by the Chief Executive Officer of the Arkansas Rural Water Association;

(N) A member of the Arkansas Water Environment Association to be designated by the President of the Arkansas Water Environment Association;

(O) A member of the Arkansas Water and Wastewater Managers Association to be designated by the President of the Arkansas Water and Wastewater Managers Association;

(P) A member of the Arkansas Water Works and Water Environment Association to be designated by the Chair of the Arkansas Water Works and Water Environment Association;

(Q) A member of Central Arkansas Water to be designated by the Chief Executive Officer of Central Arkansas Water; and

(R) A consumer advocate with water conservation knowledge or interest from the staff or membership of the Arkansas Citizens First Congress or the staff's or membership's designee, to be appointed by the Governor.

(4) The legislative members of the task force shall choose a chair and vice chair from within their number to lead the task force.

(5) All members of the task force are voting members for the purpose of setting agendas, establishing quorums, putting together reports, and all other purposes.

(6) The task force is tasked with providing:

(A) A vision report for where Arkansas should be in the future;

(B) An action report;

(C) Best practices for providing new service and any other area the task force chooses to report on; and

(D) A report on all tasks completed by January 1, 2019, to the Governor, the Director of the Arkansas Economic Development Commission, the Arkansas State Chamber of Commerce, the Arkansas Municipal League, the Association of Arkansas Counties, water providers, and the members of the Senate Committee on City, County, and Local Affairs and the House Committee on City, County, and Local Affairs of the Ninety-Second General Assembly.

(7)(A) The task force shall conduct its meetings at the State Capitol Building or another site selected by the chair.

(B) Meetings of the task force shall be held at least one (1) time every three (3) months but may occur more often at the call of the chair.

(C) The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall:

(i) Call the first meeting of the task force within sixty (60) days of the effective date of this act; and

(ii) Act as joint chairs of the task force at the first meeting.

(8) The task force shall establish rules and procedures for conducting its business.

(9) If a vacancy occurs on the task force, the vacancy shall be filled in the same manner as the original appointment.

(10)(A) Legislative members of the task force shall be paid per diem and mileage as authorized by law for attendance at meetings of interim committees of the General Assembly.

(B) Nonlegislative members of the task force shall serve without compensation but may receive reimbursement under § 25-16-902.

(11)(A) A majority of the members of the task force shall constitute a quorum for transacting business of the task force.

(B) No action may be taken by the task force except by a majority vote at a meeting at which a quorum is present.

(12) The task force may expend funds and resources in carrying out its purpose and responsibilities that are appropriated or funded to the task force by the General Assembly or a third party.

(13) The task force expires on January 1, 2019.

*/s/A. Clark*

**APPROVED: 04/06/2017**