

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 844 of the Regular Session

1 State of Arkansas

As Engrossed: H3/15/07 H3/21/07

2 86th General Assembly

A Bill

3 Regular Session, 2007

HOUSE BILL 2716

4  
5 By: Representative King

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8 **For An Act To Be Entitled**

9 AN ACT TO ALLOW NON-PROFIT CORPORATIONS TO OWN  
10 AND OPERATE COMMUNITY SEWER SYSTEMS, AND FOR  
11 OTHER PURPOSES.

12  
13 **Subtitle**

14 AN ACT TO ALLOW NON-PROFIT CORPORATIONS  
15 TO OWN AND OPERATE COMMUNITY SEWER  
16 SYSTEMS.

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18  
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

20  
21 *SECTION 1. Arkansas Code Title 14, Chapter 25 is amended to add an*  
22 *additional subchapter to read as follows:*

23 *14-25-201. Responsible Management Entities – Wastewater treatment*  
24 *systems.*

25 *(a) As used in this section, "Responsible Management Entity" means a*  
26 *wastewater treatment system service provider organized and operating under*  
27 *this section.*

28 *(b) A nonprofit corporation formed for the purpose of providing*  
29 *responsible management of wastewater treatment systems where municipal sewer*  
30 *service is not available shall operate in accordance with § 14-250-113, and*  
31 *have the powers set forth in § 14-250-111.*

32 *(c) Any of the following may enter into an agreement to become a*  
33 *Responsible Management Entity for the purpose of providing responsible*  
34 *management of wastewater treatment systems, including community sewer systems*  
35 *and groups of septic systems in a contiguous development, where municipal*



1 sewer service is not available:

2 (1) A political subdivision of the state;

3 (2) A district or an authority formed under § 14-233-101 et seq.  
4 or § 8-6-723;

5 (3) A nonprofit corporation formed for the purpose of providing  
6 responsible management of wastewater treatment systems; or

7 (4) A rural water association.

8 (d)(1) Any installation, operation, or maintenance performed on a  
9 wastewater treatment system on behalf of a Responsible Management Entity  
10 shall be done in compliance with the Arkansas Water and Air Pollution Control  
11 Act, § 8-4-101 et seq., and the regulations of the Arkansas Pollution Control  
12 and Ecology Commission as administered by the Arkansas Department of  
13 Environmental Quality or its successor and the Division of Health of the  
14 Department of Health and Human Services or its successor.

15 (2) A Responsible Management Entity must also ensure all  
16 appropriate operator licenses are current and any continuing education  
17 requirements are fulfilled.

18 (e)(1) A developer constructing a new wastewater treatment system  
19 where municipal sewer service is not available may transfer all liabilities  
20 for the wastewater treatment system to a responsible management entity if:

21 (A) Before the construction of a wastewater treatment  
22 system begins, the developer secures written approval of the proposed  
23 wastewater treatment system from the Division of Health of the Department of  
24 Health and Human Services and complies with all applicable permitting  
25 requirements, including stormwater, through the Arkansas Department of  
26 Environmental Quality pursuant to the Arkansas Water and Air Pollution  
27 Control Act, § 8-4-101 et seq., and the regulations of the Arkansas Pollution  
28 Control and Ecology Commission;

29 (B) Covenants are contained in the deed for the wastewater  
30 treatment system requiring payment of reasonable fees by the purchaser to the  
31 Responsible Management Entity for ongoing operations and maintenance of the  
32 system; and

33 (C) Ownership of the wastewater treatment system is  
34 transferred to the responsible management entity upon completion.

35 (2) Under no circumstances shall the liability for fraud or  
36 negligence on the part of the developer be transferred.

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*/s/ King*

*APPROVED: 4/3/2007*