

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 1653 of the Regular Session

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: S3/30/05

A Bill

HOUSE BILL 2367

5 By: Representatives Ledbetter, Wyatt
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For An Act To Be Entitled

9 AN ACT TO AUTHORIZE PUBLIC WATER AUTHORITIES TO
10 CONSTRUCT AND OPERATE WASTEWATER TREATMENT
11 PLANTS; AND FOR OTHER PURPOSES.
12

Subtitle

14 TO AUTHORIZE PUBLIC WATER AUTHORITIES TO
15 CONSTRUCT AND OPERATE WASTEWATER
16 TREATMENT PLANTS.
17
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 4-35-103 is amended to read as follows:
22 4-35-103. Definitions.

23 As used in this chapter:

24 (1) "Articles" means the articles of constitution or the
25 articles of conversion and reconstitution of a water authority;

26 (2) "Board" means the board of directors of a qualified
27 corporation or a water authority;

28 (3) "Bond" means any bond, promissory note, lease-purchase
29 agreement, or other evidence of indebtedness issued, incurred, or entered
30 into by a water authority;

31 (4) "Commission" means the Arkansas Soil and Water Conservation
32 Commission;

33 (5) "Indenture" means a mortgage, indenture of mortgage, deed of
34 trust, trust agreement, loan agreement, security agreement, or trust
35 indenture executed by the water authority as security for any bonds;



1 (6)(A) "Project" means any raw or potable water intake,
2 treatment, distribution, transmission, storage, pumping, well site, well
3 field, or other facility, or any combination of the foregoing, which has as
4 its purpose the provision of raw or potable water to members of the general
5 public and commercial, industrial, or other users along with any and all
6 other appurtenances, equipment, betterments, or improvements related thereto.

7 (B) A project may include any lands or interest in land
8 deemed by the board to be desirable in connection with the project and
9 necessary equipment for the proper functioning and operation of the buildings
10 or facilities involved+.

11 (C) A project may include the construction, expansion,
12 operation, or maintenance of a wastewater project or wastewater treatment
13 plant;

14 (7)(A) "Qualified corporation" means any nonprofit corporation
15 originally formed pursuant to the Arkansas Nonprofit Corporation Act of 1993,
16 § 4-33-101 et seq., the Arkansas Nonprofit Corporation Act, § 4-28-201 et
17 seq., or a predecessor statute, which among other things provides,
18 distributes, transmits, treats, pumps, or stores raw or potable water to or
19 for the benefit of members of the general public and commercial, industrial,
20 and other users or which proposes to accomplish, develop, or construct any of
21 the foregoing+.

22 (B) A qualified corporation includes a nonprofit
23 corporation that constructs, expands, operates, or maintains a wastewater
24 project or wastewater treatment plant;

25 (8) "State" means the State of Arkansas;

26 (9) "United States" means the United States of America or any of
27 its agencies or instrumentalities;

28 (10) "Wastewater project" means sewage collection systems and
29 treatment plants, including, without limitations, intercepting sewers,
30 outfall sewers, force mains, pumping stations, instrumentation and control
31 systems, and other appurtenances necessary or useful for the collection,
32 removal, reduction, treatment, purification, disposal, and handling of liquid
33 and solid waste, sewage and industrial waste, and refuse;

34 (11) "Wastewater treatment plant" means any plant, disposal
35 field, lagoon, pumping station, or other works:

36 (A) That use chemical or biological processes for:

1 (i) Treating, stabilizing, or disposing of sewage,
2 industrial wastewaters, or other wastewaters; or

3 (ii) The reduction and handling of sludge removed
4 from wastewater; and

5 (B) From which:

6 (i) A discharge to the waters of the state occurs;
7 or

8 (ii) Municipal wastewater is land-applied;

9 ~~(10)~~(12) "Water authority" means that public body politic and
10 governmental entity organized pursuant to the provisions of this chapter; and

11 ~~(11)~~(13) "Water users" means members of the public and
12 commercial, industrial, and other users who purchase their raw or potable
13 water directly from the water authority.

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15 SECTION 2. Arkansas Code § 4-35-110 is amended to read as follows:
16 4-35-110. Revenues.

17 (a) A water authority formed pursuant to this chapter shall be
18 operated without profit, but the rates, fees, rents, or other charges for
19 water or wastewater collection, disposal, and treatment and other facilities,
20 supplies, equipment, or services furnished by the water authority shall be
21 sufficient at all times:

22 (1) To pay all operating and maintenance expenses necessary or
23 desirable for the prudent conduct of its affairs and the principal of and
24 interest on the obligations issued or assumed by the water authority in the
25 performance of the purposes for which it was organized; and

26 (2) For the creation of adequate reserves.

27 (b) The revenues of the water authority shall be devoted first to the
28 payment of operating and maintenance expenses and the principal and interest
29 on outstanding obligations, and thereafter to reserves for improvements, new
30 construction, depreciation, and contingencies as the board of directors may
31 from time to time prescribe and to other purposes approved by the board,
32 including rebates to water users.

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34 SECTION 3. Arkansas Code § 4-35-210(18) and (19), concerning the
35 powers of a water authority, is amended to read as follows:

36 (18) To own and operate facilities necessary to provide potable

1 water and associated services and to provide wastewater collection, disposal,
2 and treatment to Arkansas residents;

3 (19) To fix, regulate, and collect rates, fees, and rents, or
4 other charges for water and wastewater collection, disposal and treatment and
5 any other facilities, supplies, equipment, or services furnished by the water
6 authority;

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/s/ Ledbetter

APPROVED: 4/05/2005

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