For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE PROVISION OF WATER SERVICE TO A MUNICIPALITY BY A RURAL WATER SERVICE; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING THE PROVISION OF WATER SERVICE TO A MUNICIPALITY BY A RURAL WATER SERVICE.

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

SECTION 1. Arkansas Code § 14-208-102(a)(1), concerning the right to acquire rural water service properties, facilities, and customers, is amended to read as follows:

(a)(1)(A) Unless otherwise agreed between a municipality that owns or operates a water service and a rural water service, the inclusion by annexation of any part of the assigned service area of a rural water service within the boundaries of any Arkansas municipality shall not in any respect impair or affect the rights of the rural water service to continue operations and extend water service throughout any part of its assigned service area unless a municipality that owns or operates a water service elects to purchase from the rural water service all customers, distribution properties, and facilities located within the municipality reasonably utilized or reasonably necessary to serve customers of the rural water service within the annexed areas under this chapter, excluding water sources, treatment plants, and storage serving customers outside the annexed areas.

(B) As used in this subdivision (a)(1), "continue
"operations" means to continue setting meters, reading meters, and supplying water.

(C) Under this section, a municipality has the exclusive right with regard to water service provided by the rural water service to:

(i) Conduct inspections of the water system within the municipality;

(ii) Issue and regulate permits for the water system within the municipality; and

(iii) Regulate water service to property within the corporate limits of the municipality, even if the water service is part of the assigned service area of the rural water service.

/s/Lundstrum

APPROVED: 04/05/2017