

1 State of Arkansas *As Engrossed: S3/1/17 H3/27/17*  
2 91st General Assembly **A Bill**  
3 Regular Session, 2017

SENATE BILL 376

4  
5 By: Senator A. Clark  
6

7 **For An Act To Be Entitled**

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

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11  
12 **Subtitle**

13 TO CREATE THE WATER PROVIDER LEGISLATIVE  
14 TASK FORCE.

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

18  
19 SECTION 1. DO NOT CODIFY.

20 Arkansas Water Provider Legislative Task Force.

21 (a) The General Assembly finds that:

22 (1) Utilities by their inherent nature are often monopolies;

23 (2) The people grant these monopolies as a way of enhancing  
24 service and economic development and not the opposite;

25 (3) If service is being well provided, the most people possible  
26 are enjoying the use of the service, and economic development is aided, then  
27 it may be said the monopoly is being used well;

28 (4) If service is not well provided, many people are denied  
29 service, and economic development is diminished or thwarted, then it may be  
30 said the monopoly is not being used well;

31 (5) A monopoly should not be granted or allowed to continue in  
32 the same hands if the people served or people who should be served are being  
33 harmed;

34 (6) No utility provides a more basic need for human life and  
35 economic development than a water provider;

36 (7) To this date in the state, no monopoly has been given more



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 location or political subdivision;

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

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

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

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

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

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

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

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

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

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

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

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

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

36 (H) The Executive Director of the Arkansas Economic

1 Development Commission or his or her designee;

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

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

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

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

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

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

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

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

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

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

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

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

33 (6) The task force is tasked with providing:

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

36 (B) An action report;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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*/s/A. Clark*

**APPROVED: 04/06/2017**