

**PUBLIC CHAPTER NO. 779**

**HOUSE BILL NO. 3104**

**By Representative Curtiss**

**Substituted for: Senate Bill No. 3631**

**By Senators Ketron, Beavers**

AN ACT to amend Tennessee Code Annotated, Title 6; Title 7 and Title 68, Chapter 221, Part 10, relative to certain water or sewer customers.

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

SECTION 1. Tennessee Code Annotated, Title 68, Chapter 221, Part 10, is amended by adding the following language as a new, appropriately designated section:

Section \_\_\_\_\_. The water and wastewater financing board shall conduct a study of all water and sewer rates set by a municipality providing water or sewer, or both, to customers inside the municipal jurisdictional boundaries as well as customers outside the municipal jurisdictional boundaries. The study shall at a minimum focus on the water rates, sewer rates, and tap fee rates charged to those customers inside the municipal jurisdictional boundaries as well as the customers outside the municipal jurisdictional boundaries. With respect to any county having a metropolitan form of government, the study shall include the rates set between customers in the urban services district and the general services district. The study shall identify and report the number of customers within the city or urban services district and those outside the city or urban services district. If the study determines there is a difference in the rates set greater than one hundred percent (100%), the board shall evaluate whether the difference in the rates is reasonable and justified. The board shall file a report with the governor and the speakers of each house of the general assembly by January 1, 2009, together with its recommendations as to whether any or all of such rates should be altered or modified.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

**PASSED: April 10, 2008**



JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES



RON RAMSEY, SPEAKER  
SENATE OF THE SENATE

APPROVED this 21st day of April 2008



PHIL BREDESEN, GOVERNOR