



January 27, 2020

SUMMARY OF BILL: Establishes a procedure for the creation of water and wastewater treatment authorities (WWTA), regional water and wastewater treatment authorities (RWWTA), and water and wastewater systems (WWS), which requires the creating local government to seek the approval of the Water and Wastewater Financing Board (WWFB).

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The proposed legislation is applicable only to WWTAs, RWWTAs, and WWSs, which are created by local government entities.
- Pursuant to Tenn. Code Ann. § 68-221-604 and 68-221-1304, in order to create a WWTA or RWWTA, the creating local governments:
 - Adopt a resolution calling for a public hearing;
 - Hold a public hearing; and
 - If after the public hearing it is determined that there is public need for the authority, the local governing body adopts a resolution creating the WWTA or RWWTA, and files a certified copy of the resolution with the Secretary of State.
- Pursuant to Tenn. Code Ann. Title 68, Chapter 221, Part 10, there is currently no procedure for the creation of a WWS.
- The proposed legislation creates the following procedure for local governments establishing a WWTA, RWWTA, and WWS:
 - The creating local government submits a petition containing specific information regarding services to be provided, boundaries of the service area, estimates of cost, and proposed customer rates;
 - The WWFB has 90 calendar days to provide approval, denial, or take no action on the petition;
 - If the WWFB denies an application, the creating local government may file an appeal within the applicable General Sessions Court;
 - If the WWFB approves or takes no action on the petition, the creating local government shall hold a public hearing; and
 - If after the public hearing it is determined that there is public need, submit a creating resolution to the Secretary of State.

- According to the Comptroller of the Treasury, the approval procedure established by the proposed legislation can be accomplished utilizing existing staff and resources of the WWFB; therefore any fiscal impact to state government is considered not significant.
- The courts will not experience an increase in caseloads as a result of appeals of petition denials; therefore, any impact to the court system is estimated to be not significant.
- The implementation of the proposed procedure for the creation of a WWTA, RWWTa, or WWS will not result in any significant fiscal impact to local government operations.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- The proposed legislation applies only to the creation of water and wastewater treatment authorities and systems by local governments. It is assumed that any change in the procedure regarding the creation of such local government authorities and systems will have no significant impact on the operations of privately operated, for-profit systems; therefore any impact to jobs or commerce in Tennessee is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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