

Amendment No. _____

Signature of Sponsor

AMEND Senate Bill No. 2677

House Bill No. 2782*

FILED
Date _____
Time _____
Clerk _____
Comm. Amdt. _____

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Section 13-7-602(9), is amended by deleting the subdivision and substituting:

(9) "Transferred" means:

(A) A conveyance of property has occurred on or after May 17, 2018, that results in the conveying owner of the property no longer having substantial control of the property; and

(B) For a property with multiple owners, all owners of the property have conveyed all interest in the property;

SECTION 2. Tennessee Code Annotated, Section 13-7-602(10)(B)(ii), is amended by deleting the language "over the property" and substituting the language "over the property prohibiting, effectively prohibiting, or".

SECTION 3. Tennessee Code Annotated, Section 13-7-602, is amended by adding the following as new subdivisions:

() "Owner-occupied property" means property:

(A) Owned by one (1) or more natural persons;

(B) Not owned or co-owned by a business entity; and

(C) Used as a principal residence by at least one (1) natural person;

() "Principal residence" means the residential dwelling of a natural person in which the person's habitation is fixed, and to which, whenever the person is absent, the person has a definite intention to return. If a natural person has multiple residential



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dwellings that satisfy the definition set out in this subdivision (), then the person may only claim one (1) residential dwelling located in this state as the natural person's principal residence. It is presumed that a residential dwelling is a natural person's principal residence if the address of the residential dwelling is the same as the address on the person's voter registration or Internal Revenue Service tax reporting W-2 form from the prior twelve-month period;

SECTION 4. Tennessee Code Annotated, Section 13-7-603, is amended by deleting the section and substituting:

This part supersedes an ordinance, resolution, regulation, rule, or other requirement of any type enacted, maintained, or enforced by a local governing body that conflicts with this part.

SECTION 5. Tennessee Code Annotated, Section 13-7-604, is amended by deleting the section and substituting:

Except as provided in §§ 13-7-605 – 13-7-607, on or after January 1, 2022, a local governing body shall not prohibit, effectively prohibit, or otherwise limit the ability of a person to use as a short-term rental unit an owner-occupied property.

SECTION 6. Tennessee Code Annotated, Section 13-7-605, is amended by deleting the section and substituting:

(a) Except as otherwise provided in § 13-7-607, if, on or before April 1, 2015, a local governing body authorized property for use as a short-term rental unit within a zoning district or geographical region within the jurisdiction of the local governing body through a permit or application process, then the local governing body shall not:

(1) Prohibit, effectively prohibit, or otherwise limit the ability of a person to use as a short-term rental unit an owner-occupied property; or

(2) Except as otherwise provided in subsection (b), prohibit, effectively prohibit, or otherwise limit the ability of a person to use as a short-term rental unit property that is not owner-occupied property within the specific zoning district or

geographical region that the same property or another property that is not owner-occupied property was authorized for use as a short-term rental unit by the local governing body pursuant to the ordinance, resolution, regulation, rule, or other requirement that was in effect as of April 1, 2015.

(b)

(1) Except as otherwise provided in § 13-7-606, subdivision (a)(2) does not apply to a local governing body that is subject to subsection (a) during a year in which the total number of residential short-term rental units is equal to or greater than five percent (5%) of the total housing inventory located within the local government entity.

(2) Notwithstanding subdivision (a)(2), and except as otherwise provided in § 13-7-606, during the time described in subdivision (b)(1) a local governing body that is subject to subsection (a) may prohibit, effectively prohibit, or otherwise limit the ability of a person to use as a short-term rental unit property that is not owner-occupied property within residential zones within the jurisdiction of the local governing body, as long as the property is not otherwise subject to § 13-7-606.

(3) As used in this subsection (b):

(A) "Local government entity" means a county or municipality, including a metropolitan government, or a political subdivision of a county, municipality, or metropolitan government;

(B) "Residential short-term rental unit" means a short-term rental unit located within a residential zone on property that is not owner-occupied property;

(C) "Residential zone":

(i) Means an area designated by a local governing body for residential use only; and

(ii) Does not include mixed-use, agricultural, industrial, and commercial zones; and

(D) "Total housing inventory" is calculated annually on January 1 of each year by dividing the most recent total number of housing units, as determined by the United States census bureau, located within the jurisdiction of a local government entity, by the total number of residential short-term rental units located within the jurisdiction of the local government entity.

(c)

(1) Except as provided in subdivision (c)(2), for the purposes of this section, an ordinance, resolution, regulation, rule, or other requirement was in effect as of April 1, 2015, if the local governing body had introduced and passed the ordinance, resolution, regulation, rule, or other requirement on third and final reading prior to April 1, 2015, regardless of the date of enforcement of the resolution, regulation, rule, or other requirement.

(2) Subdivision (c)(1) does not apply to an ordinance, resolution, regulation, rule, or other requirement described in § 13-7-606(b).

SECTION 7. Tennessee Code Annotated, Section 13-7-606, is amended by deleting the section and substituting:

(a) Except as provided in subsection (b), an ordinance, resolution, regulation, rule, or other requirement that prohibits, effectively prohibits, or otherwise regulates the use of property as a short-term rental unit does not apply to property if the property was being used as a short-term rental unit by the owner of the property prior to the enactment of the ordinance, resolution, regulation, rule, or other requirement by the local governing body. The ordinance, resolution, regulation, rule, or other requirement in effect at the time the property began being used as a short-term rental unit is the law that governs the use of the property as a short-term rental unit until the property is sold,

transferred, ceases being used as a short-term rental unit for a period of thirty (30) continuous months, or has been in violation of a generally applicable local law three (3) or more separate times within a twelve-month period as provided by § 13-7-607. For purposes of this subsection (a), an ordinance, resolution, regulation, rule, or other requirement is in effect at the time it is lawfully enacted by the local governing body and not the time in which it is introduced for consideration by the local governing body.

(b) An ordinance, resolution, regulation, rule, or other requirement enacted prior to January 1, 2014, that prohibits or effectively prohibits the use of property as a short-term rental unit may apply to a property within a local governing body's jurisdiction, regardless of the property's existing use. However, this subsection (b) applies only to ordinances, resolutions, regulations, rules, or other requirements that expressly limit the period of time a residential dwelling may be rented, and does not apply to ordinances, resolutions, regulations, rules, or other requirements that generally prohibit commercial activity or the renting of residential dwellings to transients.

SECTION 8. Tennessee Code Annotated, Title 13, Chapter 7, Part 6, is amended by adding the following new sections:

13-7-607.

(a) Sections 13-7-604 – 13-7-606 do not prevent a local governing body from prohibiting the use of property as a short-term rental unit if, as a direct result of the operation of the short-term rental unit, the unit has been in violation of a generally applicable local law three (3) or more separate times within a twelve-month period, and the provider has no appeal rights remaining for any of the three (3) violations. The burden of proof that a violation of a generally applicable local law was a direct result of the operation of the short-term rental unit is on the local governing body.

(b)

(1) The local governing body may authorize short-term rental units through a permitting or application process.

(2) Notwithstanding this part to the contrary, a local governing body that authorizes short-term rental units through a permitting or application process pursuant to subdivision (b)(1) may suspend the use of property as provided in §§ 13-7-604 – 13-7-606 only during that time that the unit does not maintain a permit or approved application if the permitting or application requirements are reasonable and allow for reasonable compliance.

(3) This subsection (b) does not extinguish a provider's right to the use of property as a short-term rental unit set out in §§ 13-7-604 – 13-7-606 unless the property is sold, transferred, ceases being used as a short-term rental unit for a period of thirty (30) continuous months, or has been in violation of a generally applicable local law three (3) or more separate times within a twelve-month period as provided by subsection (a).

(c) A local governing body that accepts public complaints regarding the operation of short-term rental units within its jurisdiction pursuant to a permitting or application process shall assure that all complainants are notified that a false complaint made against a short-term rental unit provider is punishable as perjury under § 39-16-702.

(d) If a local governing body prohibits, effectively prohibits, suspends, or otherwise regulates the use of property as a short-term rental unit that is also subject to §§ 13-7-604 – 13-7-606, then the provider may challenge the prohibition, effective prohibition, suspension, or regulation as conflicting with this part through a civil action or appeal. The circuit or chancery court has jurisdiction of an appeal instituted by a provider pursuant to this subsection (d) and review is de novo.

(e)

(1) A court shall award litigation costs and fees, including reasonable attorneys' fees, to a plaintiff who prevails in a civil action brought pursuant to subsection (d).

(2) A court may award punitive damages to a plaintiff who prevails in a civil action brought pursuant to subsection (d).

13-7-608.

This part does not prohibit:

(1) A condominium, co-op, homeowners' association, or other similar entity from prohibiting or otherwise restricting an owner of property within the jurisdiction of the condominium, co-op, association, or other similar entity from using the owner's property as a short-term rental unit as provided in the entity's governing documents;

(2) A lessor, through the terms of a lease agreement, from restricting the use of the leased property as a short-term rental unit; or

(3) A property owner from placing a restrictive covenant or easement on the property that restricts the future use of the property as a short-term rental unit as authorized under existing law.

SECTION 9. This act takes effect upon becoming a law, the public welfare requiring it.

Amendment No. _____

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Signature of Sponsor

AMEND Senate Bill No. 2754*

House Bill No. 2697

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Section 62-3-124(a)(1), is amended by adding the following as a new subdivision:

(C)

(i) Files an application with the board in the form that the board may prescribe, accompanied by a fee as required by the board;

(ii) Holds a valid license to instruct in a school pursuant to § 62-4-110(c);

and

(iii) Completes three hundred (300) hours in a registered barber school or college regarding the fundamentals of straight razor shaving and barbering technique;

SECTION 2. Tennessee Code Annotated, Section 62-4-110(c)(2), is amended by deleting the subdivision and substituting:

(2) Satisfactory proof that the applicant:

(A)

(i) Is a high school graduate, evidenced by a certificate or diploma, or possesses a general equivalency diploma (GED(R));

(ii) Holds a valid cosmetologist's, manicurist's, aesthetician's, or natural hair stylist's license issued by the board;

(iii) Has completed and passed a board-approved course in instructor training of at least three hundred (300) hours within a period of



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six (6) months as an instructor trainee or has served as a junior instructor for a minimum of one (1) year;

(iv) Has been licensed as a cosmetologist, aesthetician, manicurist, or natural hair stylist pursuant to this chapter for at least three (3) continuous years; and

(v) Seeks to instruct only in the area in which the applicant is currently licensed; or

(B)

(i) Holds a valid certificate of registration as a barber instructor pursuant to § 62-3-124; and

(ii) Completes three hundred (300) hours in a licensed school of cosmetology learning the fundamentals of cosmetology technique and pedicuring; and

SECTION 3. This act takes effect July 1, 2022, the public welfare requiring it.

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AMEND Senate Bill No. 2077*

House Bill No. 2246

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 51, is amended by adding the following as a new part:

7-51-2201. Part definitions.

As used in this part:

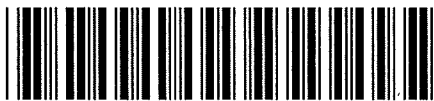
(1) "Distributor" means a party engaged in moving energy commodities, industrial materials, or their derivatives, including the transport and delivery to a retailer or customer;

(2) "Energy" means a resource that is marketed, or that has the potential to be marketed, as a commodity because of the resource's value as a source of power or fuel;

(3) "Energy infrastructure" means the systems or assets, including storage tanks, pipelines, transmission lines, fiber, or related equipment, that are necessary to produce, generate, transmit, or distribute energy to a wholesaler, retailer, distributor, or customer;

(4) "Industrial infrastructure" means the systems or assets, including storage tanks, pipelines, or related equipment, that are necessary to produce, transmit, or distribute industrial materials to a wholesaler, retailer, distributor, or customer;

(5) "Industrial materials":



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(A) Means a basic substance found in its natural, modified, or semi-processed state, or an ingredient, solvent, or other component used as an input to a production process for subsequent modification or transformation into a finished good; and

(B) Includes ammonia, hydrogen, and carbon dioxide;

(6) "Local action" means an ordinance, resolution, regulation, code, requirement, policy, or other action or omission taken, enacted, adopted, or otherwise imposed by a political subdivision of this state;

(7) "Political subdivision" means a municipality; public corporation; body politic; authority; district; metropolitan government; county; agency, department, or board of those entities; or another form of local government;

(8) "Retailer" means a party who markets or sells energy or industrial materials to a customer; and

(9) "Wholesaler" means a party engaging in the bulk purchase and sale of energy products or industrial materials in the wholesale market for the purposes of reselling energy or industrial materials to a retailer.

7-51-2202. Prohibited policies.

(a) A political subdivision of this state shall not, arising from or as a result of a local action, restrict, prohibit, or otherwise impair the development and implementation of the types or sources of energy that may be used, delivered, converted, or supplied by the following entities:

(1) A public utility or an electric utility;

(2) An entity that generates, sells, or transmits electrical energy;

(3) A gas utility;

(4) A gas transmission company;

(5) A liquefied petroleum gas dealer, liquefied petroleum gas dispenser, or liquefied petroleum gas cylinder exchange operator; or

(6) Other liquid petroleum transmission, distribution, retail, or storage entities.

(b) A local action of a political subdivision is preempted and void if the local action, directly or indirectly, is or acts as:

(1) A de facto prohibition of the siting, or a restriction, prohibition, or impairment of construction, expansion, or maintenance, of energy, industrial, or related transportation infrastructure within the jurisdictional boundary of a political subdivision. When determining whether a local action results in a de facto prohibition, factors to consider include, but are not limited to, the following:

- (A) A fee imposed;
- (B) An unreasonable timeframe for a ministerial action; and
- (C) The local action's effect on the feasibility of the project;

(2) Regulation or enforcement of safety standards for interstate or intrastate pipeline facilities or interstate or intrastate pipeline transportation as those terms are defined in 49 U.S.C. § 60101;

(3) A moratorium, or a categorical prohibition, of the siting, construction, expansion, or maintenance of energy, industrial, or related transportation infrastructure within the jurisdictional boundary of a political subdivision for a period of time; or

(4) A prohibition or restriction on the ability of a public utility or common carrier, distributor, retailer, wholesaler, or other energy or industrial infrastructure entity to exercise its rights provided by state or federal law, including, but not limited to, those rights related to the siting of energy, industrial, or related infrastructure.

(c) This section does not prevent or preempt:

(1) A board of a political subdivision that owns or operates and directly controls an electric or natural gas utility from promulgating necessary rules, regulations, or policies related to the utility subject to its control;

(2) A local action that is state-authorized, ministerial in nature pertaining to land use, generally applicable to all types of commercial activities, and necessary to provide a public benefit, as long as the local action facilitates to the greatest extent possible the siting, construction, expansion, or maintenance of energy, industrial, or related transportation infrastructure and the exercise of rights provided by the state and federal law by public utilities and common carriers, including, but not limited to, those rights related to the siting of energy, petroleum, or related infrastructure; or

(3) A local action that affects facilities for the collection, conversion, and use of solar energy.

(d) This section does not expand or alter the jurisdiction of a governmental entity charged with oversight of public utilities or electric utilities.

(e) This section does not expand or alter the regulation of wind energy facility siting provided in title 65, chapter 17.

(f) A local action that violates subsection (a) or (b) that existed on or before the effective date of this act is preempted by this part and void.

7-51-2203. Conflict with federal law.

If this part conflicts with federal law requirements pertaining to the types of energy sources or industrial materials used, delivered, converted, or supplied by the entities described in § 7-51-2202(a)(1)-(6) to serve customers, then the federal law controls.

SECTION 2. If a provision of this act or the application of a provision of this act to any entity or circumstance is held invalid, the invalidity does not affect other provisions or

applications of the act that can be given effect without the invalid provision or application, and to that end, the provisions of this act are declared to be severable.

SECTION 3. The headings in this act are for reference purposes only and do not constitute a part of the law enacted by this act. However, the Tennessee Code Commission is requested to include the headings in any compilation or publication containing this act.

SECTION 4. This act takes effect July 1, 2022, the public welfare requiring it.

Amendment No. _____

Signature of Sponsor

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AMEND Senate Bill No. 2480

House Bill No. 2608*

by deleting all language after the enacting clause and substituting:

SECTION 1.

(a) This act is known and may be cited as the "Tennessee Broadband Investment Maximization Act of 2022."

(b) It is the intent of the general assembly to maximize the impact of the historic public and private sector investments in broadband anticipated to be made in this state during the next five (5) years.

SECTION 2. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following as a new section:

67-6-350. Tennessee broadband equipment and services moratorium.

(a) Beginning January 1, 2023, through December 31, 2028, there is exempt from the sales and use tax imposed by this chapter purchases and leases of all equipment, machinery, software, ancillary components, appurtenances, accessories, or other infrastructure that is used in whole or in part to:

(1) Produce broadband communications services, including broadcasting, distributing, sending, receiving, storing, transmitting, retransmitting, amplifying, switching, providing connectivity for, or routing communications services; or

(2) Provide internet access.

(b) As used in this section:

(1) "Broadband communications services" means:



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- (A) Telecommunications services;
- (B) Mobile telecommunications services;
- (C) Video programming services; and
- (D) Direct-to-home satellite television programming services;

(2) "Equipment" includes, but is not limited to, wires, cables, fiber, conduits, antennas, poles, switches, routers, amplifiers, rectifiers, repeaters, receivers, multiplexers, duplexers, transmitters, circuit cards, insulating and protective materials and cases, power equipment, backup power equipment, diagnostic equipment, storage devices, modems, and other general central office or headend equipment, such as channel cards, frames, and cabinets, or equipment used in successor technologies, including items used to monitor, test, maintain, enable, or facilitate qualifying equipment, machinery, software, ancillary components, appurtenances, accessories, or other infrastructure that is used in whole or in part to provide broadband communication services or internet access; and

(3) "Internet access":

(A) Means a service that enables users to connect to the internet to access content, information, or other services offered over the internet;

(B) Includes:

(i) The purchase, use, or sale of telecommunications by a provider of internet access to the extent the telecommunications are purchased, used, or sold to:

(a) Provide the internet access service; or

(b) Otherwise enable users to access content, information, or other services offered over the internet;

(ii) Services that are incidental to the provision of internet access when furnished to users as part of the internet access

service, such as a home page, email and instant messaging, to include voice- and video-capable email and instant messaging, video clips, and personal electronic storage capacity; and

(iii) A homepage, email and instant messaging, to include voice- and video-capable email and instant messaging, video clips, and personal electronic storage capacity, that are provided independently or packaged with internet access; and

(C) Does not include voice, audio, or video programming, or other products and services that utilize internet protocol or a successor protocol and for which there is a charge, regardless of whether the charge is separately stated or aggregated with the charge for services for internet access.

SECTION 3. The heading in this act is for reference purposes only and does not constitute a part of the law enacted by this act. However, the Tennessee Code Commission is requested to include the heading in any compilation or publication containing this act.

SECTION 4. This act takes effect upon becoming a law, the public welfare requiring it.

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Date _____
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AMEND Senate Bill No. 2282

House Bill No. 2346*

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 51, is amended by adding the following as a new part:

7-51-2201.

As used in this part, "utility" means:

- (1) An entity subject to the jurisdiction of the water and wastewater financing board in accordance with § 68-221-1008;
- (2) An entity subject to the jurisdiction of the utility management review board in accordance with § 7-82-701; or
- (3) A county-owned or municipal-owned utility that provides electric, broadband, natural gas, or propane services to the public.

7-52-2202.

(a) By July 1, 2023, or within one (1) year after a utility is formed, whichever is later, a utility shall prepare and implement a cyber security plan to provide for the protection of the utility's facilities from unauthorized use, alteration, ransom, or destruction of electronic data.

(b) A utility shall assess and update the cyber security plan implemented pursuant to this section every two (2) years to address new threats.

7-52-2203.



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(a) Each year, as part of the utility's annual audit, the comptroller of the treasury, or the comptroller's designee, shall verify that a utility has implemented a cyber security plan in accordance with this part.

(b) If a utility:

(1) As defined in § 7-51-2201(1) has not implemented a cyber security plan, then the comptroller of the treasury, or the comptroller's designee, shall refer the utility to the water and wastewater financing board to order reasonable sanctions against the utility;

(2) As defined in § 7-51-2201(2) has not implemented a cyber security plan, then the comptroller of the treasury, or the comptroller's designee, shall refer the utility to the utility management review board to order reasonable sanctions against the utility; or

(3) As described in § 7-51-2201(3) has not implemented a cyber security plan, then the comptroller of the treasury, or the comptroller's designee, shall order reasonable sanctions against the utility.

7-51-2204.

The comptroller of the treasury shall enforce this part and may promulgate rules necessary to effectuate this part. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

7-52-2205.

The comptroller of the treasury shall submit a report to the chair of the commerce committee of the house of representatives, the chair of the commerce and labor committee of the senate, the department of safety, and the legislative librarian on the first Monday of February each year regarding compliance with this section. The report must include, at a minimum, information on the utilities that have failed to submit proof of compliance with this part.

SECTION 2. Tennessee Code Annotated, Title 65, Chapter 4, Part 1, is amended by adding the following as a new section:

(a) As used in this section:

(1) "Commission" means the Tennessee public utilities commission;

(2) "Public utility":

(A) Means each individual, copartnership, association, corporation, or joint stock company, its lessees, trustees, or receivers, appointed by a court, that own, operate, manage, or control, within the state, services for gas, broadband, electric, heat, power, water and wastewater, or any other like system, plant, or equipment, affected by and dedicated to the public use, under privileges, franchises, licenses, or agreements, granted by the state or by any political subdivision thereof; and

(B) Does not include:

(i) A corporation owned by an agency or instrumentality of the United States;

(ii) A county, municipal corporation, or other political subdivision of this state;

(iii) A corporation owned by or an agency or instrumentality of this state;

(iv) A corporation or joint stock more than fifty percent (50%) of the voting stock or shares of which is owned by the United States or this state;

(v) A county, municipal corporation, or other political subdivision of a state bordering this state, but only to the extent that the county, municipal corporation, or other political subdivision distributes natural gas to retail customers within the

municipal boundaries or urban growth boundaries of a city or town of this state that is adjoining the bordering state;

(vi) A foregoing nonutility acting jointly or in combination or through a joint agency or instrumentality;

(vii) A nonprofit homeowners association or organization, as described in § 65-4-101(6)(B)(i);

(viii) A nonprofit corporation, as defined in § 501(c)(4) of the Internal Revenue Code (26 U.S.C. § 501(c)(4)), that owns and operates a wastewater system primarily for the use of the members of the corporation and that has received a written statement of exemption from regulation as a public utility from the commission prior to January 1, 2009; or

(ix) A wind energy facility, as defined in § 65-17-101; and

(3) "Utility" means:

(A) A public utility;

(B) Community utility services, as defined in § 65-25-102; or

(C) A cooperative, as defined in § 65-25-102.

(b)

(1) By July 1, 2023, or within one (1) year after a utility is formed, whichever is later, a utility shall prepare and implement a cyber security plan to provide for the protection of the utility's facilities from unauthorized use, alteration, ransom, or destruction of electronic data. The utility shall annually submit documentation of the utility's compliance with this section to the commission by July 1.

(2) The documentation required by this section must be made in writing and under oath by the chief executive officer or president of the utility.

(c) A utility shall assess and update the cyber security plan implemented pursuant to this section every two (2) years to address new threats.

(d) A utility that fails to comply with this section is subject to reasonable sanctions ordered by the commission as described in rule. The fees collected from civil penalties under this section must be remitted to the commission for enforcement of this section.

(e) The commission shall enforce this section and may promulgate rules necessary to effectuate this section. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(f) The commission shall include with the annual report required under § 65-1-111, a separate report regarding compliance with this section to the chair of the commerce committee of the house of representatives, the chair of the commerce and labor committee of the senate, the department of safety, and the legislative librarian. The report must include, at a minimum, information on the utilities that have failed to submit proof of compliance with this section.

SECTION 3. This act takes effect upon becoming a law, the public welfare requiring it.