

HOUSE BILL 161

By Marsh

AN ACT to amend Tennessee Code Annotated, Title 68,
relative to access to the drinking water revolving
loan fund.

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

SECTION 1. Tennessee Code Annotated, Section 68-221-1203(6), is amended by deleting the subdivision in its entirety and substituting instead the following language:

(6) "System" and "water system" mean the community public water systems of a county, incorporated town or city, metropolitan government, a privately owned for-profit community public water system, utility district formed pursuant to title 7, chapter 82, water/wastewater authority, energy authority, state agency, or an instrumentality of government created by any one (1) or more of these or by an act of the general assembly as well as such governmental entity.

SECTION 2. Tennessee Code Annotated, Section 68-221-1206(f), is amended by adding the following as a new subdivision:

(11) For loans to privately owned for-profit community public water systems as provided in federal law pursuant to 40 CFR Part 35; provided, that:

(A) No privately owned for-profit community public water systems shall be considered for loans with principal forgiveness under this program;

(B) Privately owned for-profit community public water systems shall be categorized as one hundred percent (100%) ability to pay on the index established pursuant to § 68-221-1205;

(C) A privately owned for-profit community public water system borrower shall have at least a debt/service coverage ratio of 1.25;

(D) Privately owned for-profit community public water systems shall provide security determined by the Tennessee local development authority to be acceptable to secure a loan under this part; and

(E) The Tennessee local development authority has the authority to direct a privately owned for-profit community public water system to the water and wastewater financing board for compliance as set forth in §§ 68-221-1009 and 68-221-1010, and by the comptroller of the treasury.

SECTION 3. Tennessee Code Annotated, Section 68-221-1205(k), is amended by deleting the period (.) at the end of the subsection and substituting instead the following language:

; provided, that this subsection (k) does not apply to privately owned for-profit community public water systems.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to all contracts entered into or renewed on or after the effective date of this act.