

HOUSE BILL 1979

By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Section 7-82-703; Section 7-82-401 and Section 68-221-1010, relative to utility districts, water systems and wastewater facilities.

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

SECTION 1. Tennessee Code Annotated, Section 7-82-401(g)(1), is amended by deleting language “has a negative change in net assets for three (3) consecutive years.” in the second sentence and by substituting the following language:

has a negative change in net assets for two (2) consecutive years.

SECTION 2. Tennessee Code Annotated, Section 7-82-703(a), is amended by deleting the language “a negative change in net assets for a period of three (3) years,” and by substituting the following language:

a negative change in net assets for a period of two (2) years,

SECTION 3. Tennessee Code Annotated, Section 68-221-1010(a), is amended by deleting the existing language and substituting instead the following:

Within sixty (60) days from the time that an audit of a water system or wastewater facility is filed with the comptroller of the treasury, the comptroller of the treasury shall file with the board the audit report of any water system or wastewater facility which has a deficit total net assets in any one (1) year, has a negative change in net assets for two (2) consecutive years, or is currently in default on any of its debt instruments.

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