

SENATE BILL 860

By Yager

AN ACT to amend Tennessee Code Annotated, Title 7,
Chapter 82, relative to boards of commissioners
for utility districts.

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

SECTION 1. Tennessee Code Annotated, Section 7-82-307, is amended by adding the following subsection:

(i)

(1) Notwithstanding this section or any other law to the contrary, the membership of the board of commissioners for any multi-county natural gas utility district whose present service area primarily lies within the boundaries of a county having a population of not less than seventy-five thousand one hundred (75,100) nor more than seventy-five thousand two hundred (75,200), and in a county having a population of not less than forty thousand seven hundred (40,700) nor more than forty thousand eight hundred (40,800), according to the 2010 federal census or any subsequent federal census must be as provided in this subsection (i).

(2)

(A)

(i) On January 1, 2022, board membership from the county in the service area of the utility district having a population of not less than forty thousand seven hundred (40,700) nor more than forty thousand eight hundred (40,800), according to the 2010 federal census or any subsequent federal census is increased by

one (1) member giving such county two (2) members on the board.

(ii) In order to stagger the terms of the member appointed under subdivision (i)(2)(A)(i) and the rotating member appointed under subdivision (i)(2)(B)(i), the member appointed under subdivision (i)(2)(A)(i) serves an initial term that expires on January 1, 2023, at which time a new member is appointed from the county listed in subdivision (i)(2)(A)(i). Following the expiration of the member's initial term as prescribed in this subdivision (i)(2)(A)(ii), such member serves a four-year term that begins on January 1 and terminates on December 31, four (4) years later.

(B)

(i) On January 1, 2022, board membership is increased by the appointment of a second member, thereby bringing the total number of members on the board to five (5). This second member is to be selected from either county as a rotating member who resides in one (1) of the two (2) counties served by the utility district.

(ii) In order to stagger the terms of the rotating member appointed under subdivision (i)(2)(B)(i) and the member appointed under subdivision (i)(2)(A)(i), the rotating member's initial term expires on January 1, 2024, at which time a new member is appointed from the other county served by the utility district, with subsequent terms of such member to rotate accordingly between

the two (2) counties. Following the expiration of the rotating member's initial term as prescribed in subdivision (i)(2)(B)(ii), the rotating member serves a four-year term that begins on January 1 and terminates on December 31, four (4) years later.

(3)

(A) The mayor of the county from which a new member is to be appointed to serve on the board must select one (1) person from a list of three (3) candidates submitted to the mayor following their nomination and approval by the board of commissioners for the utility district. The county commission of the county in which the person is being appointed to serve on the board shall then vote to either approve or disapprove the appointment of the person selected by the county mayor.

(B) If the first candidate whose name is submitted by the county mayor to the county commission is disapproved by the county commission or if there is a tie vote, then a second list of candidates must be submitted by the board of commissioners for the utility district to the county mayor. If the second candidate whose name is submitted to the county commission by the county mayor is disapproved by the county commission or if there is a tie vote, then a third list of candidates must be submitted to the county mayor by the board of commissioners for the utility district, at which time the county mayor shall approve one (1) of the persons for appointment to the board without the need for further action by the county commission.

(C) All appointments made under this subdivision (i)(3) must be in accordance with the residential requirements that apply to each office created.

(4) Notwithstanding this section or any other law to the contrary, within two (2) weeks after the occurrence of a vacancy in the office of any commissioner and no later than thirty (30) days prior to the scheduled expiration of the term of office of any such incumbent commissioner, the board of commissioners or its remaining members shall select a person to fill the vacancy, in full accordance with residential requirements applicable to the office vacated or to be vacated, and, under the seal of the board of commissioners.

(5) No later than January 31 of each year, the chair of the board of commissioners shall certify the number of customers within each county and mail a list of customers from each such county to the appropriate county mayor.

(6) Notwithstanding this section or any other law to the contrary, a contract entered into or renewed after July 1, 2021, for the sale of natural gas to a natural gas utility district described in subdivision (i)(1) must not, and it is against public policy for such a contract to, contain a clause that prohibits the district from lawfully selling natural gas to other municipalities or governmental entities.

SECTION 2. This act takes effect July 1, 2021, the public welfare requiring it.