

SENATE BILL 1366

By Yager

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 34; Title 7, Chapter 36; Title 7, Chapter 52, Part 1 and Title 7, Chapter 82, Part 3, relative to utility services.

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

SECTION 1. Tennessee Code Annotated, Section 7-34-115, is amended by adding the following as a new subsection:

(l) Notwithstanding any other law to the contrary, a municipal utility system providing water, sewer, or natural gas service has the power to enter into agreements with companies to provide water, sewer, or natural gas leak protection bill coverage, insurance, or service agreements for customers and to offer their customers water line, sewer line, or natural gas line damage protection coverage, insurance, or service agreements for customer-owned water, sewer, or natural gas lines. The municipal utility system may include the costs for the coverage, insurance, or service agreements on the monthly utility bills of their customers.

SECTION 2. Tennessee Code Annotated, Section 7-52-103, is amended by adding the following as a new subsection:

In addition to authority granted under otherwise applicable law, the utility of a municipality providing electric service operating pursuant to this part or other applicable law has the power to assist its utility customers in installing or maintaining fixtures, devices, appliances, apparatus, and equipment of all kinds and character and, in connection therewith, to purchase, acquire, lease, sell, distribute, incentivize, insure, make loans, provide service contracts, enter into agreements, contract with third parties, and repair such fixtures, devices, appliances, apparatus, and equipment and sell,

assign, transfer, endorse, pledge, and otherwise dispose of notes or other evidences of indebtedness. Transactions with customers may provide for periodic payments to be added to customer monthly service billing statements. The utility may terminate utility service upon non-payment of these transactions in accordance with policies adopted by the utility's governing board.

SECTION 3. Tennessee Code Annotated, Section 7-82-302(a), is amended by adding the following as a new subdivision:

(6) Powers relating to water, sewer, and natural gas services include the power for utility districts to enter into agreements with companies to provide water, sewer, or natural gas leak protection bill coverage, insurance, or service agreements for customers and to offer their customers water line, sewer line, or natural gas line damage protection coverage, insurance, or service agreements for customer-owned water, sewer, or natural gas lines. Utility districts may include the costs for the coverage, insurance, or service agreements on the monthly utility bills of their customers. As used in this subdivision (6), "utility districts" includes any utility district created pursuant to this chapter or any public or private act and any water or sewer authority created by any public or private act.

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