

SENATE BILL 1397

By Reeves

AN ACT to amend Tennessee Code Annotated, Title 64,
Chapter 1, Part 6, relative to the Tennessee Duck
River development agency.

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

SECTION 1. Tennessee Code Annotated, Section 64-1-601, is amended by deleting subsection (c) and substituting instead:

(c) As used in this part, "participating entity" means each county, municipality, other governmental entity, and commercial or industrial entity that withdraws water from:

(1) The Duck River that requires an aquatic resource alterations permit (ARAP) from this state; and

(2) The Duck River's tributaries in Bedford, Coffee, Marshall, and Maury Counties that requires an ARAP from this state.

SECTION 2. Tennessee Code Annotated, Section 64-1-603, is amended by adding the following as a new subsection:

(c)

(1) The agency shall set a per thousand-gallon fee to charge participating entities for water withdrawals. The fee set pursuant to this subdivision (c)(1) is called the "withdrawal fee." The withdrawal fee must be approved by a majority of the Duck River agency technical advisory committee (DRATAC) before being set by the agency.

(2)

(A) Each participating entity that is a water system shall pay the withdrawal fee based on the delivered effluent water less re-use coming from a water treatment plant that withdraws water from the:

(i) Duck River; or

(ii) Duck River's tributaries in Coffee, Bedford, Marshall, and Maury Counties.

(B) All other participating entities shall pay the withdrawal fee based on the total water withdrawn from the:

(i) Duck River; or

(ii) Duck River's tributaries in Coffee, Bedford, Marshall and Maury Counties.

(3) The withdrawal fee must be set at a rate sufficient to cover the administrative costs to run the agency, the costs of agency programs and regional water supply projects, and all other needs the agency deems necessary to accomplish its mission. All agency programs and regional water supply projects must be approved by a majority of the DRATAC. The DRATAC is composed of water systems that are participating entities with an ARAP for water withdrawals.

(4) The agency shall review the withdrawal fee on a periodic basis, at least once every two (2) years.

(5) The participating entities shall deposit the funds owed into a trust designated by the agency in a manner and on a schedule determined by the agency.

SECTION 3. Tennessee Code Annotated, Section 64-1-605, is amended by deleting the following language:

The counties of Coffee, Bedford, Marshall, and Maury and the towns and incorporated municipalities therein and other governmental entities electing to become a sponsoring and participating governmental entity pursuant to § 64-1-601(c) are hereby authorized and empowered to:

and by substituting instead the following:

Each participating entity may:

SECTION 4. This act takes effect July 1, 2023, the public welfare requiring it.