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94th Arkansas General Assembly/Retail Water Providers: Proposed Legislation Amending Oversight Provisions

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House Bill 1515 ("HB 1515") has been introduced which would amend certain statutory oversight requirements for retail water providers.

The legislation was introduced by Representative Maddox.

Act 605 of 2021 amended Ark. Code Title 14, Chapter 234, to add a subchapter titled:

Subchapter 8 – Oversight of Retail Water Providers

A Provider is defined to mean any provider of retail water service.

Act 605 tasked retail water Providers (except those regulated by the Arkansas Public Service Commission) with additional responsibilities in managing and operating their water systems. These included requirements such as:

- Annual rate studies
- Filing of rate studies with the Arkansas Legislative Audit
- Training requirements for the retail water Providers governing board
- Provisions applicable to retail water Providers under fiscal stress

HB 1515 would make certain revisions/additions such as:

- Revises dates by which to obtain rate studies
- Adds the phrase "and other revenue dedicated to the support of the provider's water system" to Ark. Code § 14-234-802(c)(2)(A)
- Addresses timing for the implementation of recommended rate increases
- Authorizes spending Provider's cash savings as referenced in § 14-234-802(b)(1) for refurbishment and replacement of water system facilities and other real property
- Deletes § 14-234-802(h)(1) requiring that plans undertake a major development project, obtain a rate study, or amend the existing rate study before beginning the major development project to include consideration of the financial impact of the major development project on the fiscal sustainability of the provider
- Provides an additional exemption from the subchapter for Providers subject to a federal court decree or judgment for remediation efforts for the purpose of compliance with federal law

HB 1515 has been referred to the House Committee on City, County & Local Affairs.

A copy of the legislation can be downloaded [here](#).