

Amendment No. \_\_\_\_\_

\_\_\_\_\_  
Signature of Sponsor

<b>FILED</b>
Date _____
Time _____
Clerk _____
Comm. Amdt. _____

**AMEND Senate Bill No. 564\***

**House Bill No. 803**

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Title 68, Chapter 221, is amended by adding the following as a new part:

**68-221-1401.**

As used in this part:

(1) "Department" means the department of environment and conservation;

(2) "Treatment works" means any devices and systems used in the storage, treatment, recycling, and reclamation of sewage or industrial wastes of a liquid nature to restore and maintain the chemical, physical, and biological integrity of the state's waters, or any devices and systems used in the treatment and distribution of water, including intercepting sewers, outfall sewers, sewage collection systems, water storage facilities, water transmission lines, pumping, power, and other equipment, and their appurtenances, extensions, improvements, remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled supply, such as standby treatment units and clear well facilities, or other such works; and

(3) "Utility" means:

(A) The water system of a county, metropolitan government, or incorporated town or city;

(B) A treatment authority created pursuant to:



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(i) The Water and Wastewater Treatment Authority Act, compiled in part 6 of this chapter;

(ii) The Regional Water and Wastewater Treatment Authority Act, compiled in part 13 of this chapter; or

(iii) Another public or private act of the general assembly that operates a water facility; or

(C) The water system of an energy or utility authority created pursuant to the Municipal Energy Authority Act, compiled in title 7, chapter 36, or a private act of the general assembly.

**68-221-1402.**

(a) If the developer of a subdivision or other neighborhood constructs a treatment works for use by the subdivision or neighborhood, and the treatment works meets standards set by the department, then the developer may submit an application to the utility serving the area in which the system is located requesting that the utility:

(1) Agree to assume operational responsibility and ownership of the treatment works; or

(2) Refuse to own and operate the treatment works. If the utility refuses to own and operate the treatment works pursuant to this subdivision (a)(2), then the utility shall provide written notice of the refusal to the developer within thirty (30) days of receipt of the application. A utility that refuses to own and operate a treatment works pursuant to this subdivision (a)(2) shall not restrict the availability of water services provided by the utility based on the utility's refusal to own or operate the treatment works.

(b)

(1) If a developer receives written notice of the utility's refusal to own and operate the treatment works under subdivision (a)(2), then the developer may contract with another utility for ownership and operation of the treatment works,

subject to the rights of the utility to which the initial application for approval was submitted as described under subdivision (b)(2).

(2) Notwithstanding subdivision (b)(1) or any contract entered into between the developer and another utility, the utility to which the initial application for approval was submitted may negotiate with the developer to allow the utility to assume operational responsibilities and ownership rights to the treatment works for up to two (2) years after installation of the treatment works.

**68-221-1403.**

The local government for the area in which the treatment works is or will be installed may require the developer to file a performance bond in an amount to be determined by the local government for the area in which the system is or will be located when the developer submits an application under § 68-221-1402(a).

SECTION 2. This act takes effect July 1, 2025, the public welfare requiring it, and applies to conduct or construction occurring on or after that date.