

1 ENGROSSED HOUSE
2 BILL NO. 3051

By: Caldwell (Trey) of the
House

3 and

4 Allen of the Senate
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8 An Act relating to water; amending 82 O.S. 2011,
9 Sections 1324.2 and 1324.9, which relate to water
10 districts; modifying definitions; modifying certain
allowable charge; allowing certain monies to be used
11 for water sustainability assessments; and providing
an effective date.
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14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. AMENDATORY 82 O.S. 2011, Section 1324.2, is
16 amended to read as follows:

17 Section 1324.2 As used in this act unless the context clearly
18 requires otherwise:

19 1. "District" means a public nonprofit water district, a public
20 nonprofit sewer district, a public nonprofit natural gas
21 distribution district or a nonprofit solid waste management district
22 or a district for the operation of all or a combination of
23 waterworks, sewage facilities, natural gas distribution facilities
24 and solid waste management systems, created pursuant to this act;

1 2. "Board" means the governing body of a district;

2 3. The terms "board of county commissioners" and "county clerk"
3 shall mean, respectively, the board of county commissioners and
4 county clerk of the county in which the greatest portion of the
5 territory of any proposed rural water district, rural sewer
6 district, rural natural gas distribution district or rural solid
7 waste management district is located;

8 4. "Corporation" means a not-for-profit corporation organized:

- 9 a. pursuant to the provisions of the Oklahoma General
10 Corporation Act for a purpose not involving pecuniary
11 gain to its shareholders or members, paying no
12 dividends or other pecuniary remuneration, directly or
13 indirectly to its shareholders or members as such and
14 having no capital stock, and
15 b. for the purpose of developing and providing rural
16 water supplies to serve rural residents-i

17 5. "Rural resident" means any natural person, firm,
18 partnership, association, corporation, business trust, federal
19 agency, state agency, state or political subdivision thereof,
20 municipality of ~~ten thousand (10,000)~~ twenty-five thousand (25,000)
21 persons or less, or any other legal entity, owning or having an
22 interest in lands within the rural area located within the
23 boundaries of the district;

1 6. "Rural area" means any area lying outside the corporate
2 limits of any municipal corporation and includes any areas of open
3 country, unincorporated communities, and, with the consent of the
4 governing body thereof by ordinance duly adopted, may include the
5 area within the corporate limits of any municipality having a
6 population of less than ~~ten thousand (10,000)~~ twenty-five thousand
7 (25,000) persons according to the last ~~decennial census~~ Federal
8 Decennial Census, when said municipality is one of the petitioners
9 for creation of a district or for the annexation of additional
10 territory as provided by Section 1324.13 of this title; provided,
11 further, that when a water, sewer, natural gas or solid waste
12 management district is totally within the municipal city limits of a
13 city with ~~ten thousand (10,000)~~ a population of twenty-five thousand
14 (25,000) or less, the board of directors of the sewer, natural gas,
15 water or solid waste management district shall be the governing body
16 of the town. Provided, further, that when a city or town with a
17 population of ~~ten thousand (10,000)~~ twenty-five thousand (25,000) or
18 less receives the majority of its water from a rural water, natural
19 gas, sewer or solid waste management district, any resident of said
20 city or town shall be eligible to serve on the board of directors.
21 Provided, further, that areas lying within the corporate limits of
22 any municipality having a population of more than ~~ten thousand~~
23 ~~(10,000)~~ twenty-five thousand (25,000) persons according to the last
24 ~~decennial census~~ Federal Decennial Census may be included in a

1 water, sewer, natural gas or solid waste management district with
2 the consent of the governing body by ordinance duly adopted when
3 such water, sewer, natural gas or solid waste services are not and
4 cannot be provided in a reasonable time by other sources;

5 7. "Benefit unit" means a legal right to one service connection
6 to the district's facilities and to participate in the affairs of
7 the district;

8 8. "Participating member" means any rural resident who has
9 subscribed to one or more benefit units;

10 9. "Sewage facilities" means the necessary facilities of
11 collection, transportation, storage, treatment or processing and
12 disposal or release of sewage;

13 10. "Solid waste management system" means the entire process of
14 collection, transportation, storage, processing and disposal of
15 solid wastes;

16 11. "Water works" means the necessary facilities from the
17 initial source to the place for consumer utilization, and includes
18 supply, storage, treatment, transportation and distribution;

19 12. "Solid waste" means all putrescible and nonputrescible
20 refuse in solid or semisolid form including, but not limited to,
21 garbage, rubbish, ashes or incinerator residue, street refuse, dead
22 animals, demolition wastes, construction wastes, solid or semisolid
23 commercial and industrial wastes and hazardous wastes including
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explosives, pathological wastes, chemical wastes, herbicide and pesticide wastes; and

13. "Gas distribution facilities" means the necessary facilities from the initial source to the place for consumer utilization and includes supply, transportation and distribution.

SECTION 2. AMENDATORY 82 O.S. 2011, Section 1324.9, is amended to read as follows:

Section 1324.9 A. The board of directors shall be the governing body of the district and shall meet annually on a date prescribed by the bylaws and at such other times as may be determined by the board or upon call by the chair or any two members of the board. Vacancies on the board shall be filled for the unexpired term, and until such appointee's successor is elected and has qualified, by appointment by the remaining members of the board. The board shall adopt such rules in conformity with the provisions of this act and the bylaws of the district as are deemed necessary for the conduct of the business of the district. It shall be the duty of the secretary to cause an entry to be made upon its records showing all of its minutes, decisions and orders made pursuant to the provisions of this act.

B. The district shall have the power to charge an amount, as determined by the board and approved by the members of the district, not to exceed ~~ten cents (\$0.10)~~ twenty cents (\$0.20) per one thousand (1,000) gallons of water sold, to be included in the water

1 rates for the district and paid by the retail water consumers of the
2 district. The charge shall be approved by a majority vote of the
3 participating members of the district who are present at a regular
4 or special meeting, for which public notice has been given and the
5 issue is on the agenda and presented for a vote. The public notice
6 of the meeting and election shall state the amount of the proposed
7 fee, the intended purpose of the fee, and the entity or entities
8 which will receive the monies. If approved, the board shall
9 distribute the monies received from the charge to any entity or
10 entities, except for any entity that has statutory or regulatory
11 authority over any aspect of the district, selected by the board for
12 purposes that will assist or aid the board in the performance of its
13 duties for the district and which will benefit the area within the
14 district or the members of the district. The monies may also be
15 used to fund any water sustainability assessments that the district
16 participates in.

17 SECTION 3. This act shall become effective November 1, 2020.
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1 Passed the House of Representatives the 5th day of March, 2020.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2020.

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8 Presiding Officer of the Senate