

SENATE BILL 2370

By Watson

AN ACT to amend Tennessee Code Annotated, Title 7;
Title 65; Title 66 and Title 68, relative to utilities.

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

SECTION 1. Tennessee Code Annotated, Section 7-35-201, is amended by designating the existing language as subsection (a) and by adding the following language as subsection (b):

(b) Nothing in this section shall authorize a governing body of any city, town, or utility district to recover any charges or penalties for the furnishing of water, wastewater, or sewer services to a tenant from any property owner who is not a party to the tenant's contract for services with the city, town, or utility district.

SECTION 2. Tennessee Code Annotated, Section 7-82-312, is amended by deleting the section and substituting instead the following:

(a) Any utility district, whether created pursuant to general law or uncodified public chapter, may enforce the payment of fees or assessments charged for sewer or wastewater disposal utility services by filing an action in the same manner and with the same penalties and interest attached as provided for the enforcement of unpaid taxes pursuant to title 67, including the sale on execution of the utility user's property as provided in title 26, chapter 5, and the redemption provisions of title 66, chapter 8. An action taken pursuant to this subsection (a) may be taken only once every calendar year by the utility district for unpaid sewer or wastewater utility fees or assessments. The utility district shall be required to give notice to the utility user not less than ninety (90) days prior to the filing of any action taken pursuant to this subsection (a) that would include levying on the utility user's real property. The notice shall be mailed to the last known address of the utility user as contained on the tax records of the county where the

utility user's property is located and shall include the amount of the unpaid fee or assessment for sewer or wastewater disposal utility services, together with penalties and interest. The notice shall also contain a statement to the effect that, unless the payments are brought up to date, a lien shall attach to the utility user's property and an action shall be filed pursuant to title 67.

(b) The utility district shall bear the reasonable costs incurred by a property owner in defending an action pursuant to subsection (a) due to an error in the records or fees of the utility district for the provision of sewer or wastewater disposal utility services.

(c) For purposes of this section, "utility district" includes the Reelfoot Lake utility and planning district created by chapter 222 of the Public Acts of 1983.

(d) No utility district, whether created pursuant to general law or uncodified public chapter, shall enforce the payment of fees or assessments charged against a utility user for the provision of sewer or wastewater disposal utility services by filing an action against a property owner who is not a party to the utility user's contract for services with the utility district.

SECTION 3. Tennessee Code Annotated, Title 7, Chapter 82, Part 3, is amended by adding the following language as a new section:

No utility district, whether created pursuant to general law or uncodified public chapter, shall enforce the payment of fees or assessments charged against a utility user for the provision of water services by filing an action against a property owner who is not a party to the utility user's contract for services with the utility district.

SECTION 4. Tennessee Code Annotated, Title 68, Chapter 221, Part 2, is amended by adding the following language as a new section:

Nothing in this part shall authorize a municipality to recover any charges or penalties for the furnishing of services to a tenant or occupant from any property owner who is not a party to the tenant or occupant's contract for services with the municipality.

SECTION 5. This act shall take effect July 1, 2016, the public welfare requiring it.