

HB 3320 -- REGULATION OF COMMUNITY WATER SYSTEMS

SPONSOR: Casteel

The bill establishes "The Drinking Water Transparency and Accountability Act", which requires the Department of Natural Resources to create a statewide system of accountability for community water systems and establish, by rule, a letter grade schedule to include community water system quality, performance, and sustainability based on the standards set forth in the bill. The Department must promulgate rules for clear and appropriate explanation for each such standard and create a tiered structure of point deductions that utilizes the violation metrics specified in the bill. The Department will assign community water systems a letter grade between "A" and "F". The rules can not deduct points for water outage or boil advisories.

For water corporations, the Department must use data provided by the water corporation in its most recent general rate case within the past three years.

The Department will publish scores and letter grades earned by each community water system on its website on an annual basis. It also must establish rules by which a community water system can review and appeal the Department's scores prior to website publication. Requirements and penalties for each letter classification that a community water system receives from the Department are specified in the bill.

For any violation of the provisions of the bill, upon a petition from the Department, a court may appoint a receiver or fiscal administrator, may order a mandatory safe water purchase from another system. The duties of a receiver, if appointed, are specified in the bill.

The Department must publish the first letter grade no later than January 1, 2028.

A community water system receiving Federal funds for the upgrade, repair, or replacement of the water system infrastructure must submit to the Department a detailed plan describing how the Federal funds will be used.

This bill is the same as SB 1666 (2026).