

HB 3351 -- PUBLIC WATER SUPPLY DISTRICTS

SPONSOR: Costlow

This bill requires customers of a water district, when requesting service from a public water supply district, to inform the district of the quantity and quality of water the customer will require. Upon receipt of a request for service from a customer, the public water supply district must respond within 60 days, informing the customer whether the public water supply district can meet the requested quantity and quality of water within a reasonable time frame and at a reasonable cost.

A "specific demand customer", as defined in the bill, may bring a challenge in a court of competent jurisdiction on the basis of unreasonable time frame or unreasonable cost. If the court finds in favor of the specific demand customer, the court must enforce a reasonable time frame and reasonable cost for service or allow the specific demand customer to detach from the public water supply district.

If the public water supply district declines or is unable to provide service to a specific demand customer, the specific demand customer may provide the public water supply district with a notice of intent to detach and must be allowed to detach, unless the public water supply district is prevented from granting detachment as a result of any federal loans. The public water supply district can not delay payment of the loan or enter into new loan agreements until the specific demand customer is offered the opportunity to detach from the public water supply district. Specific demand customers may elect to pay the outstanding balance of any federal loans of the public water supply district that prevent detachment.

If a public water supply district has an outstanding debt owed to or guaranteed by the United States government, the district must accept any gift, donation, or bequest of money made for the payment of debt, unless acceptance would be in violation of current law.

Monetary gifts, donations, or bequests must be applied first to the payment or prepayment of any outstanding debt of the district that is owed to or guaranteed by the United States government if it was given for that purpose. If the amount of any monetary gift, donation, or bequest exceeds the amount necessary to pay or prepay all outstanding debt owed, the district may apply the excess funds as otherwise authorized by law.

The district must maintain records of all monetary gifts, donations, or bequests received and make such records available for public inspection upon request.

This bill is similar to HB 3371 (2026).