

STATE OF NEW YORK

597

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sens. HINCHEY, WEBB -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the public service law, the environmental conservation law and the state finance law, in relation to reporting requirements and audits of private water companies

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and may be cited as the "small
2 water utility transparency act".

3 § 2. The public service law is amended by adding a new section 89-q
4 to read as follows:

5 § 89-q. Powers of the commission with respect to private water compa-
6 nies. 1. The commission, in coordination with the comptroller, shall
7 conduct full audits of regulated private water companies with gross
8 annual revenues below two hundred fifty thousand dollars on a three- to
9 five-year cycle, as determined by the commission. Such audits shall
10 focus on capital investment in the private water company, compliance
11 with state and federal water safety regulations and laws, financial
12 capacity of the private water company, management ability and function
13 of the private water company, water adequacy and sufficiency of the
14 private water system and affordability.

15 2. The commission shall require that any regulated private water
16 company with gross annual revenues below two hundred fifty thousand
17 dollars which is under investigation either by motion of the commission,
18 pursuant to section eighty-nine-i of this article, or pursuant to an
19 order to show cause shall file regular public updates on the status of
20 compliance with such order. The commission shall promulgate rules and
21 regulations regarding such requirement including, but not limited to,
22 determining how often such public updates shall be provided and the

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 manner in which such public updates shall be provided to the public.
2 The commission shall be authorized to establish and collect fines for
3 non-compliance with this subdivision. Such fines may be set at
4 increased rates for repeated non-compliance.

5 3. The commission shall cooperate with the department of environmental
6 conservation and shall provide any information or data compiled by or in
7 the possession of the commission to the department of environmental
8 conservation for the purposes of aiding the department of environmental
9 conservation in carrying out audits of regulated private water companies
10 with gross annual revenues below two hundred fifty thousand dollars. The
11 commission shall coordinate such audits with the department of environ-
12 mental conservation and shall issue joint audit reports that merge the
13 separate audits of the commission and the department of environmental
14 conservation.

15 § 3. The environmental conservation law is amended by adding a new
16 section 15-0319 to read as follows:

17 § 15-0319. Powers and duties with respect to private water companies.

18 The department shall conduct full audits of private water companies
19 with gross annual revenues below two hundred fifty thousand dollars
20 which are regulated by the public service commission on a three- to
21 five-year cycle, as determined by the department. Such audits shall
22 focus on, but shall not be limited to, compliance with state and federal
23 water safety regulations and laws, water quality, water adequacy, suffi-
24 ciency of testing performed by the private water company. The department
25 may seek the assistance of the public service commission in conducting
26 such audits and may rely on information and data complied or provided by
27 the public service commission in the completion of such audits. The
28 department shall coordinate such audits with the public service commis-
29 sion and shall assist the commission in issuing joint audit reports that
30 merge the separate audits of the department and the public service
31 commission.

32 § 4. Section 8 of the state finance law is amended by adding a new
33 subdivision 21 to read as follows:

34 21. Notwithstanding any inconsistent provision of law, audit regu-
35 lated private water companies with gross annual revenues below two
36 hundred fifty thousand dollars in accordance with section eighty-nine-q
37 of the public service law.

38 § 5. This act shall take effect immediately.