

A BILL

i n t i t u l e d

An Act to amend the Water Services Industry Act 2006.

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WHEREAS it is expedient to amend the written law relating to control and regulation of water supply services and sewerage services throughout Peninsular Malaysia and the Federal Territory of Labuan:

AND WHEREAS it is also expedient that provisions be made to confer executive authority on the Federation for matters relating to water supply systems and water supply services and to make it clear that the executive authority conferred on the Federation for matters relating to sewerage systems and sewerage services is continued throughout Peninsular Malaysia and the Federal Territory of Labuan:

NOW, THEREFORE, in accordance with Clause (1) of Article 74 and Clause (2) of Article 80 of the Federal Constitution, **IT IS ENACTED** by the Parliament of Malaysia as follows:

Short title and commencement

1. (1) This Act may be cited as the Water Services Industry (Amendment) Act 2024.

(2) This Act comes into operation on a date to be appointed by the Minister by notification in the *Gazette*.

Amendment of section 2

2. The Water Services Industry Act 2006 [*Act 655*], which is referred to as the “principal Act” in this Act, is amended in section 2 in the national language text, in the definition of “lengkapan air”, by inserting after the words “(selain sesalur utama awam)” a comma.

Amendment of section 61

3. Section 61 of the principal Act is amended—

- (a) in the shoulder note, by deleting the word “**public**”;
- (b) in subsection (1), by deleting the word “public” wherever appearing;
- (c) by inserting after subsection (1) the following subsection:

“(1A) No person shall discharge into or allow to be discharged into any septic tank any prohibited effluent or any other matter likely to damage or impair the function of the septic tank or cause disturbance to the sewerage services.”; and
- (d) in subsection (2)—
 - (i) by inserting after the words “subsection (1)” the words “or (1A)”;
 - (ii) by substituting for the words “one hundred thousand” the words “one million”; and
 - (iii) by substituting for the words “one year” the words “ten years”.

Amendment of section 86

4. Subsection 86(1) of the principal Act is amended in the national language text by inserting after the words “pemegang lesen” the word “perkhidmatan”.

Amendment of section 110

5. Section 110 of the principal Act is amended in the national language text—

(a) in paragraph (7)(b), by inserting after the words “sebagaimana yang diperuntukkan di bawah” the words “Ordinan Tanah Sabah sebagaimana yang diubah suai oleh”; and

(b) in subsection (8), by substituting for the words “subseksyen (1)” the words “subseksyen (3)”.

Amendment of section 121

6. Section 121 of the principal Act is amended—

(a) by inserting after subsection (1) the following subsection:

“(1A) A person who contaminates or causes to be contaminated any watercourse or the water supply system or any part of the watercourse or water supply system with any substance which causes or would likely cause temporary cessation or closure of water supply system or disruption of water supply, commits an offence.”.

(b) in subsection (2)—

(i) by inserting after the words “subsection (1)” the words “or (1A)”;

- (ii) in paragraph (b), by substituting for the words “ten years or to a fine not exceeding five hundred thousand ringgit” the words “fifteen years or to a fine not less than five hundred thousand ringgit and not exceeding fifteen million ringgit”; and
- (iii) in paragraph (c), by substituting for the words “not exceeding one hundred thousand ringgit or to imprisonment for a term not exceeding one year or to both” the words “not less than two hundred thousand ringgit and not exceeding ten million ringgit or to imprisonment for a term not exceeding ten years or to both”; and

(c) by inserting after subsection (2) the following subsections:

“(2A) A person who is convicted for an offence under subsection (1) or (1A), shall be liable to pay the costs borne by a licensee to restore the water supply system that has been affected due to the contamination.

(2B) The court shall, in making an order under subsection (2A), take into consideration the following factors:

- (a) the effect of the contamination;
- (b) the costs borne by the licensee;
- (c) the damage to, or the loss of, the property suffered by the licensee; and
- (d) any other factor deemed relevant by the court.

(2C) For the purpose of making an order under subsection (2A), the court may hold an inquiry as the court thinks fit.

(2D) Section 432 of the Criminal Procedure Code [Act 593] shall be applicable to any order made under this section.”.

Amendment of section 122

7. Subsection 122(1) of the principal Act is amended—

(a) in paragraph (c), by deleting the word “or” at the end of the paragraph;

(b) by inserting after paragraph (c) the following paragraph:

“(ca) discharges or throws any waste, sewage, effluent, creature, dead or alive, matter or substance, into any manhole; or”; and

(c) by substituting—

(i) for the words “fifty thousand” the words “one million”; and

(ii) for the words “six months” the words “ten years”.

Amendment of section 123

8. Subsection 123(3) of the principal Act is amended—

(a) by substituting for the words “one hundred thousand” the words “one million”; and

(b) by substituting for the words “one year” the words “ten years”.

Amendment of section 148

9. Subsection 148(2) of the principal Act is amended by deleting the words “[Act 593]”.

Amendment of section 165

10. Subsection 165(1) of the principal Act is amended in the national language text, by inserting after the word “ialah” the words “pengarah,”.

Amendment of section 173

11. Subsection 173(1) of the principal Act is amended in the national language text, by substituting for the word “and” the word “dan”.

Amendment of section 174

12. Paragraph 174(1)(a) of the principal Act is amended in the English language text, by inserting after the words “septic tank” a comma.

Amendment of section 180

13. Subparagraph 180(a)(iv) of the principal Act is amended in the national language text, by substituting for the word “sistem” the word “perkhidmatan” wherever appearing.

EXPLANATORY STATEMENT

This Bill seeks to amend the Water Services Industry Act 2006 [Act 655].

2. *Clause 1* contains the short title and the power of the Minister to appoint the commencement date of the proposed Act.

3. *Clause 3* seeks to amend section 61 of Act 655 to clarify that the offence under section 61 in relation to the prohibition to discharge any prohibited effluent or noxious matter into sewer and sewage treatment works to be consistent with the definition of the terms “sewer” and “sewage treatment works” in the Act. This *clause* also seeks to introduce a new subsection (1A) into section 61 of Act 655 to prohibit the discharge of prohibited effluent or any other matter into septic tank. This *clause* further seeks to increase the penalty for offences under subsections 61(1) and (1A) of Act 655 as a deterrent measure.

4. *Clause 6* seeks to amend section 121 of Act 655 to make an offence if any person contaminates any water source which causes temporary cessation or disruption of water supply. Further, the penalties are increased as a deterrent measure since contamination of water supply system will affect a large number of consumers. The proposed new subsections 121(2A), (2B), (2C) and (2D) of Act 655 are introduced to allow the court to order any person convicted under subsection 121(1) or (1A) to pay the cost to restore the water supply system that has been affected due to the contamination caused by the person.

5. *Clause 7* seeks to amend subsection 122(1) of Act 655 to make the discharge or disposal of any sewage, effluent, creature, matter or substance into any manhole as an offence.
6. *Clause 8* seeks to amend subsection 123(3) of Act 655 to increase the penalty for the offence of making unlawful connection of water supply.
7. *Clauses 2, 4, 5, 10, 11 and 13* seek to amend section 2, subsection 86(1), paragraph 110(7)(b) and subsection 110(8), subsection 165(1), subsection 173(1) and subparagraph 180(a)(iv) of Act 655 respectively to correct the errors in the national language text to make it consistent with the English language text.
8. Other amendments not specifically dealt with in this Explanatory Statement are minor or consequential in nature.

FINANCIAL IMPLICATIONS

The Bill will not involve the Government in any extra financial expenditure.

[PN(U2)3032]