



Reprinted
January 30, 2018

HOUSE BILL No. 1267

DIGEST OF HB 1267 (Updated January 29, 2018 7:04 pm - DI 55)

Citations Affected: IC 2-5; noncode.

Synopsis: Water infrastructure task force. Establishes a water infrastructure task force (task force) consisting of 15 members, including five ex officio members, two members of the senate, two members of the house of representatives, and six members appointed by the governor based on recommendations from certain organizations. Provides that the legislative services agency shall provide staff support to the task force. Requires the task force to comply with the open meetings and public records laws. Requires the task force to: (1) study drinking water systems, wastewater management systems, and storm water management systems; (2) create an empirical decision making tool that will allow policymakers to prioritize water infrastructure projects; and (3) develop a long term plan for addressing drinking water, wastewater, and storm water management needs in Indiana. Requires the task force to submit a report containing certain recommendations to the general assembly and the governor not later than December 1, 2018. Requires the Indiana finance authority (IFA) to contract with an entity of its choosing to study the needs of the state, political subdivisions, and other public and private entities arising from the National Pollutant Discharge Elimination System (NPDES) stormwater program. Provides that IFA must require the contractor to complete and submit a written report setting forth the results of the study not later than December 1, 2019.

Effective: Upon passage.

Soliday, Brown T, Ober, Hamilton

January 11, 2018, read first time and referred to Committee on Utilities, Energy and Telecommunications.

January 25, 2018, amended, reported — Do Pass.

January 29, 2018, read second time, amended, ordered engrossed.

HB 1267—LS 7072/DI 55



Second Regular Session of the 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

HOUSE BILL No. 1267

A BILL FOR AN ACT to amend the Indiana Code concerning environmental law.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 2-5-41 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
3 PASSAGE]:

4 **Chapter 41. Water Infrastructure Task Force**

5 **Sec. 1. As used in this chapter, "task force" refers to the water**
6 **infrastructure task force established by section 2 of this chapter.**

7 **Sec. 2. The water infrastructure task force is established.**

8 **Sec. 3. The task force consists of the following fifteen (15)**
9 **members:**

10 (1) **Two (2) members of the senate, of whom:**

11 (A) **one (1) shall be appointed by the president pro**
12 **tempore, and shall serve as co-chair of the task force; and**

13 (B) **one (1) shall be appointed by the minority leader.**

14 (2) **Two (2) members of the house of representatives, of**
15 **whom:**

16 (A) **one (1) shall be appointed by the speaker, and shall**
17 **serve as co-chair of the task force; and**

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- (B) one (1) shall be appointed by the minority leader.**
- (3) The public finance director of the Indiana finance authority appointed under IC 4-4-11-9 or the designee of the public finance director.**
- (4) The commissioner of the department of environmental management appointed under IC 13-13-2-1 or the designee of the commissioner.**
- (5) The director of the office of community and rural affairs appointed under IC 4-4-9.7-5 or the designee of the director.**
- (6) The consumer counselor of the office of utility consumer counselor appointed under IC 8-1-1.1-3 or the designee of the consumer counselor.**
- (7) The commissioner or chief of staff of the Indiana department of transportation.**
- (8) One (1) member appointed by the governor based on the recommendation of the American Council of Engineering Companies.**
- (9) One (1) member appointed by the governor based on the recommendation of the American Water Works Association.**
- (10) One (1) member appointed by the governor based on the recommendation of Accelerating Indiana's Municipalities.**
- (11) One (1) member appointed by the governor based on the recommendation of the Indiana Chamber of Commerce.**
- (12) One (1) member appointed by the governor who has broad experience in the water industry.**
- (13) One (1) member appointed by the governor who represents the public at large.**

Sec. 4. (a) Eight (8) members of the task force constitute a quorum.

(b) The affirmative vote of at least a majority of the members at a meeting at which a quorum is present is necessary for the task force to take official action other than to meet and take testimony.

(c) The task force shall meet at the call of the co-chairs.

Sec. 5. All meetings of the task force shall be open to the public in accordance with and subject to IC 5-14-1.5. All records of the task force shall be subject to the requirements of IC 5-14-3.

Sec. 6. The task force shall do the following:

- (1) Examine recommended standards and best practices for the maintenance and life cycle management of:**
 - (A) drinking water systems;**
 - (B) wastewater management systems; and**
 - (C) storm water management systems.**



- 1 **(2) Analyze whether individual:**
 2 **(A) drinking water systems;**
 3 **(B) wastewater management systems; and**
 4 **(C) storm water management systems;**
 5 **in Indiana are achieving the recommended standards referred**
 6 **to in subdivision (1).**
 7 **(3) Assess the adequacy of present sources of funding for the**
 8 **maintenance and life cycle management of:**
 9 **(A) drinking water systems;**
 10 **(B) wastewater management systems; and**
 11 **(C) storm water management systems;**
 12 **and, if necessary, identify additional sources of funding.**
 13 **(4) Evaluate whether, considering:**
 14 **(A) the availability of resources;**
 15 **(B) the ownership of resources;**
 16 **(C) changing population demographics;**
 17 **(D) appropriate system capacity;**
 18 **(E) operational expertise;**
 19 **(F) public health and safety; and**
 20 **(G) economic development;**
 21 **the regionalization of water infrastructure could improve**
 22 **system performance and ratepayer value.**
 23 **(5) Assess the value that an improved system of water**
 24 **infrastructure would add to economic development in**
 25 **Indiana.**
- 26 **Sec. 7. The task force shall create an empirical decision making**
 27 **tool that will allow policymakers to prioritize water infrastructure**
 28 **projects in a manner that will:**
 29 **(1) account for public health, safety, and economic**
 30 **development, as well as ensure ratepayer value;**
 31 **(2) evaluate the capacity of present funding streams and, if**
 32 **necessary, new funding streams; and**
 33 **(3) test the outcomes of various scenarios over multiple**
 34 **timelines.**
- 35 **Sec. 8. The task force shall develop a long term plan for**
 36 **addressing drinking water, wastewater, and storm water**
 37 **management needs in Indiana. The long term plan must include**
 38 **recommendations to the general assembly and the governor**
 39 **concerning the following:**
 40 **(1) Outcomes that must be achieved in order to overcome**
 41 **challenges facing Indiana's local water infrastructure, and the**
 42 **benchmarks and timelines that must be met in order to**



1 achieve these outcomes.

2 (2) Metrics to be used in assessing the current status of:

- 3 (A) drinking water systems;
4 (B) wastewater management systems; and
5 (C) storm water management systems;

6 and in tracking the progress made toward accomplishing all
7 goals, benchmarks, and recommended standards.

8 (3) Funding and financing mechanisms that should be used to
9 achieve necessary improvements in:

- 10 (A) drinking water systems;
11 (B) wastewater management systems; and
12 (C) storm water management systems.

13 (4) A determination of who should bear the financial burden
14 of improving:

- 15 (A) drinking water systems;
16 (B) wastewater management systems; and
17 (C) storm water management systems;

18 and how the financial burden should be apportioned among
19 those bearing the financial burden, taking into consideration
20 the impact on affordability of water and wastewater rates.

21 (5) The designation of a particular state agency responsible
22 for coordinating all water initiatives at the state level.

23 (6) The definition of proper roles and responsibilities for all
24 state agencies involved with regulating, financing, or
25 managing of:

- 26 (A) drinking water systems;
27 (B) wastewater management systems; and
28 (C) storm water management systems.

29 (7) Appropriate legislation for the 2019 legislative session
30 based on the recommendations of the long term plan set forth
31 in subdivisions (1) through (6).

32 **Sec. 9. The task force shall:**

33 (1) issue a report setting forth the recommendations required
34 by section 8 of this chapter; and

35 (2) not later than December 1, 2018, submit the report:

- 36 (A) in an electronic format under IC 5-14-6 to the
37 executive director of the legislative services agency for
38 distribution to the members of the general assembly; and
39 (B) to the governor.

40 **Sec. 10. The legislative services agency shall provide staff**
41 **support to the task force.**

42 **Sec. 11. This chapter expires January 1, 2019.**



1 SECTION 2. [EFFECTIVE UPON PASSAGE] (a) The Indiana
 2 finance authority created by IC 4-4-11-4 shall contract with an
 3 entity selected by the Indiana finance authority to study the needs
 4 of:

5 (1) the state;
 6 (2) political subdivisions of the state; and
 7 (3) other public and private entities in Indiana, including
 8 entities engaged in construction activity or industrial activity;
 9 arising from the National Pollutant Discharge Elimination System
 10 (NPDES) stormwater program.

11 (b) The Indiana finance authority may specify in the contract:

12 (1) particular data that the contractor must compile; and
 13 (2) particular matters and questions relating to the needs
 14 described in subsection (a) that the contractor must study or
 15 upon which the contractor must make findings or
 16 recommendations.

17 (c) The Indiana finance authority shall require the contractor
 18 to:

19 (1) complete the study;
 20 (2) prepare a written report setting forth the results of the
 21 study; and
 22 (3) submit the report to:
 23 (A) the legislative council;
 24 (B) the governor; and
 25 (C) the chairs of:
 26 (i) the ways and means committee of the house of
 27 representatives of the Indiana general assembly; and
 28 (ii) the appropriations committee of the senate of the
 29 Indiana general assembly;

30 not later than December 1, 2019. The report to the legislative
 31 council must be in an electronic format under IC 5-14-6.

32 (d) The Indiana finance authority shall pay the amount
 33 necessary for the study out of any funds available for the purpose.

34 (e) This SECTION expires January 1, 2020.

35 SECTION 3. An emergency is declared for this act.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Utilities, Energy and Telecommunications, to which was referred House Bill 1267, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 10 and 11.

Page 1, line 12, delete "(2) Three (3)" and insert "**(1) Two (2)**".

Page 1, line 13, delete "two (2)" and insert "**one (1)**".

Page 1, line 14, delete "tempore;" and insert "**tempore, and shall serve as co-chair of the task force;**".

Page 1, line 16, delete "(3) Three (3)" and insert "**(2) Two (2)**".

Page 2, line 1, delete "two (2)" and insert "**one (1)**".

Page 2, line 1, delete "speaker;" and insert "**speaker, and shall serve as co-chair of the task force;**".

Page 2, line 3, delete "(4)" and insert "**(3)**".

Page 2, line 6, delete "(5)" and insert "**(4)**".

Page 2, line 9, delete "(6)" and insert "**(5)**".

Page 2, line 11, delete "(7)" and insert "**(6)**".

Page 2, line 14, delete "(8)" and insert "**(7)**".

Page 2, line 17, delete "(9)" and insert "**(8)**".

Page 2, line 19, delete "(10)" and insert "**(9)**".

Page 2, between lines 20 and 21, begin a new line block indented and insert:

"(10) One (1) member appointed by the governor based on the recommendation of the Indiana Chamber of Commerce.

(11) One (1) member appointed by the governor who has broad experience in the water industry.

(12) One (1) member appointed by the governor who represents the public at large."

Page 2, line 26, delete "chair." and insert "**co-chairs.**".

Page 2, between lines 26 and 27, begin a new paragraph and insert:

"Sec. 5. All meetings of the task force shall be open to the public in accordance with and subject to IC 5-14-1.5. All records of the task force shall be subject to the requirements of IC 5-14-3."

Page 2, line 27, delete "Sec. 5." and insert "**Sec. 6.**".

Page 3, line 16, delete "Sec. 6." and insert "**Sec. 7.**".

Page 3, line 25, delete "Sec. 7." and insert "**Sec. 8.**".

Page 4, line 21, delete "Sec. 8." and insert "**Sec. 9.**".

Page 4, line 23, delete "section 7" and insert "**section 8**".

Page 4, line 29, delete "Sec. 9." and insert "**Sec. 10.**".



Page 4, line 29, delete "utility regulatory commission" and insert "**legislative services agency**".

Page 4, line 31, delete "Sec. 10." and insert "**Sec. 11.**".

and when so amended that said bill do pass.

(Reference is to HB 1267 as introduced.)

OBER

Committee Vote: yeas 13, nays 0.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1267 be amended to read as follows:

Page 1, line 8, delete "fourteen (14)" and insert "**fifteen (15)**".

Page 2, between lines 12 and 13, begin a new line block indented and insert:

"(7) The commissioner or chief of staff of the Indiana department of transportation."

Page 2, line 13, delete "(7)" and insert "**(8)**".

Page 2, line 16, delete "(8)" and insert "**(9)**".

Page 2, line 18, delete "(9)" and insert "**(10)**".

Page 2, line 20, delete "(10)" and insert "**(11)**".

Page 2, line 22, delete "(11)" and insert "**(12)**".

Page 2, line 24, delete "(12)" and insert "**(13)**".

Page 4, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 2. [EFFECTIVE UPON PASSAGE] (a) The Indiana finance authority created by IC 4-4-11-4 shall contract with an entity selected by the Indiana finance authority to study the needs of:

(1) the state;

(2) political subdivisions of the state; and

(3) other public and private entities in Indiana, including entities engaged in construction activity or industrial activity; arising from the National Pollutant Discharge Elimination System (NPDES) stormwater program.

(b) The Indiana finance authority may specify in the contract:

(1) particular data that the contractor must compile; and

(2) particular matters and questions relating to the needs



described in subsection (a) that the contractor must study or upon which the contractor must make findings or recommendations.

(c) The Indiana finance authority shall require the contractor to:

- (1) complete the study;
- (2) prepare a written report setting forth the results of the study; and
- (3) submit the report to:
 - (A) the legislative council;
 - (B) the governor; and
 - (C) the chairs of:
 - (i) the ways and means committee of the house of representatives of the Indiana general assembly; and
 - (ii) the appropriations committee of the senate of the Indiana general assembly;

not later than December 1, 2019. The report to the legislative council must be in an electronic format under IC 5-14-6.

(d) The Indiana finance authority shall pay the amount necessary for the study out of any funds available for the purpose.

(e) This SECTION expires January 1, 2020."

Renumber all SECTIONS consecutively.

(Reference is to HB 1267 as printed January 26, 2018.)

SOLIDAY

HOUSE MOTION

Mr. Speaker: I move that House Bill 1267 be amended to read as follows:

Page 4, line 17, delete "burden." and insert "**burden, taking into consideration the impact on affordability of water and wastewater rates.**".

(Reference is to HB 1267 as printed January 26, 2018.)

PIERCE

