

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 ENROLLED ACT No. 1267

AN ACT to amend the Indiana Code concerning environmental law.

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

SECTION 1. IC 2-5-44 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER TO READ AS FOLLOWS** [EFFECTIVE UPON PASSAGE]:

Chapter 44. Water Infrastructure Task Force

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

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

Sec. 3. The task force consists of the following:

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

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

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

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

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

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

(3) One (1) or more officers or employees of the state of Indiana appointed by the governor.

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(4) One (1) or more individuals appointed by the governor to represent the interests of the operators of:

- (A) drinking water systems;**
- (B) wastewater management systems; or**
- (C) storm water management systems.**

(5) One (1) or more engineers or other professionals who have the expertise in the design and construction of:

- (A) drinking water systems;**
- (B) wastewater management systems; or**
- (C) storm water management systems;**

necessary to the prudent operation of those systems and who are appointed by the governor.

(6) One (1) or more individuals appointed by the governor to represent the interests of ratepayers and others who constitute the source of funding for:

- (A) drinking water systems;**
- (B) wastewater management systems; or**
- (C) storm water management systems.**

(7) One (1) or more members of the general public who are not described in subdivisions (4) through (5) and who are appointed by the governor.

Sec. 4. (a) A majority of the members of the task force constitutes 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.**

(2) Analyze whether individual:

- (A) drinking water systems;**
- (B) wastewater management systems; and**
- (C) storm water management systems;**

in Indiana are achieving the recommended standards referred to in subdivision (1).



(3) Assess the adequacy of present sources of funding for the maintenance and life cycle management of:

- (A) drinking water systems;**
- (B) wastewater management systems; and**
- (C) storm water management systems;**

and, if necessary, identify additional sources of funding.

(4) Evaluate whether, considering:

- (A) the availability of resources;**
- (B) the ownership of resources;**
- (C) changing population demographics;**
- (D) appropriate system capacity;**
- (E) operational expertise;**
- (F) public health and safety; and**
- (G) economic development;**

the regionalization of water infrastructure could improve system performance and ratepayer value.

(5) Assess the value that an improved system of water infrastructure would add to economic development in Indiana.

Sec. 7. The task force shall create an empirical decision making tool that will allow policymakers to prioritize the funding of water infrastructure projects in a manner that will:

- (1) account for public health, safety, and economic development, as well as ensure ratepayer value;**
- (2) evaluate the capacity of present funding streams and, if necessary, new funding streams; and**
- (3) test the outcomes of various scenarios over multiple timelines.**

Sec. 8. The task force shall develop a long term plan for addressing drinking water, wastewater, and storm water management needs in Indiana. The long term plan must include recommendations to the general assembly and the governor concerning the following:

- (1) Outcomes that must be achieved in order to overcome challenges facing Indiana's local water infrastructure, and the benchmarks and timelines that must be met in order to achieve these outcomes.**
- (2) Metrics to be used in assessing the current status of:**
 - (A) drinking water systems;**
 - (B) wastewater management systems; and**
 - (C) storm water management systems;****and in tracking the progress made toward accomplishing all**



goals, benchmarks, and recommended standards.

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

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

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

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

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

(5) Appropriate legislation for the 2019 legislative session based on the recommendations of the long term plan set forth in subdivisions (1) through (4).

Sec. 9. The task force shall:

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

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

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

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

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

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.

SECTION 3. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to an appropriate interim study committee the task of studying research and outreach efforts to reduce non-point source impacts on water quality, as conducted through government supported programs and by universities, including programs related to:

- (1) nutrient management and soil health; and
- (2) drainage water management.

(b) This SECTION expires January 1, 2019.

SECTION 4. An emergency is declared for this act.



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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