

February 18, 1998

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**ENGROSSED**  
**SENATE BILL No. 241**

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DIGEST OF SB 241 (Updated February 17, 1998 12:10 pm - DI 69)

**Citations Affected:** IC 13-18.

**Synopsis:** Drinking water and wastewater revolving funds and nonprofit water utilities. Provides that money held in the wastewater revolving loan fund and loan repayments to be made to the fund may be used to secure a leveraged loan program or other financial assistance programs established in connection with the drinking water revolving loan fund. Provides that money held in the drinking water revolving loan fund and loan repayments to be made to the fund may be used to secure a leveraged loan program or other financial assistance programs established in connection with the wastewater revolving loan fund. Allows a nonprofit water utility to adopt a resolution that reconstitutes the nonprofit water utility as a water authority.

**Effective:** Upon passage.

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**Gard, Hume**

(HOUSE SPONSORS — STURTZ, WOLKINS)

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January 8, 1998, read first time and referred to Committee on Governmental and Regulatory Affairs.

January 15, 1998, reported favorably — Do Pass.

January 20, 1998, read second time, ordered engrossed.

January 21, 1998, engrossed.

January 27, 1998, read third time, passed. Yeas 50, nays 0.

**HOUSE ACTION**

January 29, 1998, read first time and referred to Committee on Environmental Affairs.

February 17, 1998, amended, reported — Do Pass.

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ES 241—LS 7000/DI 44+



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February 18, 1998

Second Regular Session 110th General Assembly (1998)

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 1997 General Assembly.

## ENGROSSED SENATE BILL No. 241

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

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

1 SECTION 1. IC 13-18-13-30 IS ADDED TO THE INDIANA  
2 CODE AS A NEW SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE UPON PASSAGE]: **Sec. 30. Notwithstanding any**  
4 **other law, and to the extent permitted by the federal Clean Water**  
5 **Act and the federal Safe Drinking Water Act (42 U.S.C. 300f et**  
6 **seq.), money in the fund, together with loan repayments to be**  
7 **deposited in the fund, may be used to secure a leveraged loan**  
8 **program or other financial assistance programs established in**  
9 **connection with the drinking water revolving loan fund established**  
10 **by IC 13-18-21-2.**

11 SECTION 2. IC 13-18-16-16 IS ADDED TO THE INDIANA  
12 CODE AS A NEW SECTION TO READ AS FOLLOWS  
13 [EFFECTIVE UPON PASSAGE]: **Sec. 16. (a) A nonprofit water**  
14 **utility may adopt a resolution approved by its board of directors**  
15 **under this section that reconstitutes the nonprofit water utility as**

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1 a water authority to be named as provided in the resolution.  
 2 (b) A resolution adopted under this section must allow:  
 3 (1) the structure of the board of directors; and  
 4 (2) the rules governing the water authority;  
 5 to remain the same as those applicable to the nonprofit water  
 6 utility.  
 7 (c) The water authority shall retain all its powers as a nonprofit  
 8 water utility under:  
 9 (1) its existing bylaws and articles; and  
 10 (2) all laws applicable to nonprofit water utilities and local  
 11 water corporations.  
 12 (d) A water authority constituted under this section is a political  
 13 subdivision of the state.  
 14 (e) A copy of a resolution adopted under this section must be  
 15 filed with the secretary of state. When the secretary of state  
 16 receives a copy of a resolution under this subsection, the secretary  
 17 of state shall dissolve the corporate status of the nonprofit water  
 18 utility for purposes of state law.  
 19 (f) A water authority constituted under this section shall:  
 20 (1) remain obligated under any existing contracts or  
 21 agreements; and  
 22 (2) remain obligated and assume the indebtedness;  
 23 of the nonprofit water utility.  
 24 SECTION 3. IC 13-18-21-30 IS ADDED TO THE INDIANA  
 25 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 26 [EFFECTIVE UPON PASSAGE]: **Sec. 30. Notwithstanding any**  
 27 **other law, and to the extent permitted by the federal Safe Drinking**  
 28 **Water Act (42 U.S.C. 300f et seq.) and the federal Clean Water**  
 29 **Act, money in the fund, together with loan repayments to be**  
 30 **deposited in the fund, may be used to secure a leveraged loan**  
 31 **program or other financial assistance programs established in**  
 32 **connection with the wastewater revolving loan fund established by**  
 33 **IC 13-18-13-2.**  
 34 SECTION 4. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Governmental and Regulatory Affairs, to which was referred Senate Bill 241, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 241 as introduced.)

GARD, Chairperson

Committee Vote: Yeas 8, Nays 0.

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SENATE MOTION

Mr. President: I move that Senator Hume be added as coauthor of Senate Bill 241.

GARD

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred Senate Bill 241, 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, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 2. IC 13-18-16-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 16. (a) A nonprofit water utility may adopt a resolution approved by its board of directors under this section that reconstitutes the nonprofit water utility as a water authority to be named as provided in the resolution.**

**(b) A resolution adopted under this section must allow:**

- (1) the structure of the board of directors; and**
- (2) the rules governing the water authority;**

**to remain the same as those applicable to the nonprofit water utility.**

**(c) The water authority shall retain all its powers as a nonprofit water utility under:**

- (1) its existing bylaws and articles; and**
- (2) all laws applicable to nonprofit water utilities and local water corporations.**

**(d) A water authority constituted under this section is a political subdivision of the state.**

**(e) A copy of a resolution adopted under this section must be filed with the secretary of state. When the secretary of state receives a copy of a resolution under this subsection, the secretary of state shall dissolve the corporate status of the nonprofit water utility for purposes of state law.**

**(f) A water authority constituted under this section shall:**

- (1) remain obligated under any existing contracts or agreements; and**
- (2) remain obligated and assume the indebtedness;**

**of the nonprofit water utility."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to Senate Bill 241 as printed January 16, 1998.)

STURTZ, Chair

Committee Vote: yeas 10, nays 0.

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