

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7142

BILL NUMBER: SB 319

DATE PREPARED: Dec 29, 1998

BILL AMENDED:

SUBJECT: Municipal sewer jurisdiction.

FISCAL ANALYST: Beverly Holloway

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a sewage disposal company may not provide sewage disposal service within ten miles outside the corporate boundaries of a municipality unless the legislative body of the municipality authorizes a sewage disposal company to provide sewage disposal service in the area.

Effective Date: Upon passage.

Explanation of State Expenditures: Rates are approved by the Indiana Utility Regulatory Commission (IURC). This can be done within the existing budget of the IURC.

Explanation of State Revenues:

Explanation of Local Expenditures: The provisions of this bill are applicable to areas within ten miles of the corporate boundaries of a municipality that is currently **not** being served by the municipality or a sewage disposal company. This bill requires that before service can be provided by a sewage disposal company to the specified area, the municipality's legislative body must adopt a resolution authorizing the company to provide sewage disposal service in the area. The adoption of a resolution can be done within the existing budget of the municipality.

If the municipality extends sewage disposal service to the specified area, the municipality would incur the cost of extending the service. If the municipality adopts a resolution authorizing a company to provide sewage disposal service, the company would incur the expenses for extending and providing the service. The fiscal impact is dependent on local action.

Explanation of Local Revenues: The cost of extending and providing service would be offset by rates charged to patrons receiving the service.

State Agencies Affected: Indiana Utility Regulatory Commission

Local Agencies Affected: Municipalities.

Information Sources: Karen Arland, Ice Miller Donadio and Ryan, (317) 236-2100.