

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

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7978
BILL NUMBER: SB 608

DATE PREPARED: Jan 15, 1999
BILL AMENDED:

SUBJECT: Revenue bonds for sewage works.

FISCAL ANALYST: Beverly Holloway
PHONE NUMBER: 232-9851

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill permits the board of sanitary commissioners in certain cities to issue revenue bonds payable solely from the revenues of the sewage works for which they are issued. It applies to: (1) Michigan City; (2) each municipality in Lake County that has adopted the sanitation department statute by ordinance; (3) each second class city in any other county that has adopted the sanitation department statute by ordinance; and (4) Indianapolis. (Under current law, this provision applies only to Indianapolis.)

This bill makes conforming changes.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: This bill allows certain cities to fund the acquisition, construction, and improvement of sewer works through 20 year revenue bonds. These bonds would be repaid through existing user fees rather than property taxes. Currently, Indianapolis is the only city allowed to issue revenue bonds for the purposes previously listed. The fiscal impact of this provisions will vary among cities. Additionally, the fiscal impact is indeterminable and dependent on local action.

State Agencies Affected:

Local Agencies Affected: Michigan City; Each municipality in Lake County that has adopted the sanitation department statute by ordinance; Each second class city in any other county that has adopted the sanitation

department statute by ordinance.

Information Sources: