



Reprinted
February 11, 1999

HOUSE BILL No. 1687

DIGEST OF HB 1687 (Updated February 10, 1999 4:30 pm - DI 69)

Citations Affected: IC 13-11; IC 13-18.

Synopsis: Public water systems and water supply systems. Amends the definition of "public water system" for purposes of the law concerning the supplemental drinking water assistance program to include: (1) collection, treatment, storage, and distribution facilities that are under control of the operator of the public water system and used primarily in connection with the public water system; and (2) collection or pretreatment storage facilities that are not under control of the operator of the public water system and are used primarily in connection with the public water system. Amends the definition of "water supply system" for purposes of: (1) the law concerning operators of water treatment plants, wastewater treatment plants, and water distribution systems; and (2) other environmental management laws to mean the system of wells, pumps, structures, pipes, facilities, and other constructed conveyances through which water is obtained, treated as
(Continued next page)

Effective: January 1, 1999 (retroactive); July 1, 1999.

Sturtz

January 26, 1999, read first time and referred to Committee on Agriculture, Natural Resources and Rural Development.
February 2, 1999, reported — Do Pass.
February 10, 1999, read second time, amended, ordered engrossed.

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Digest Continued

required, and supplied through a water distribution system for the provision to the public for human consumption. Specifies that nonprofit water utilities that reconstitute as water authorities: (1) retain all privileges, rights, and exemptions as nonprofit water utilities under their bylaws and articles and all laws applicable to nonprofit water utilities and local water corporations; (2) are subject only to the laws applicable to nonprofit water utilities and local water corporations; and (3) are subject to the laws concerning municipally owned utilities for purposes of setting rates and charges.

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February 11, 1999

First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

HOUSE BILL No. 1687

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 13-11-2-177.3 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 177.3. (a) "Public
3 water system", for purposes of IC 13-18-21-22 through IC 13-18-21-29,
4 means a system for the provision to the public of water for human
5 consumption through pipes or other constructed conveyances that:
6 (1) has at least fifteen (15) service connections; or
7 (2) regularly serves at least twenty-five (25) individuals.
8 (b) **The term includes:**
9 (1) **collection, treatment, storage, and distribution facilities**
10 **that are:**
11 (A) **under control of the operator of the public water**
12 **system; and**
13 (B) **used primarily in connection with the public water**
14 **system; and**
15 (2) **collection or pretreatment storage facilities that are:**

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- 1 **(A) not under control of the operator of the public water**
- 2 **system; and**
- 3 **(B) used primarily in connection with the public water**
- 4 **system.**

5 SECTION 2. IC 13-11-2-263 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 263. (a) "Water supply
 7 system", for purposes of IC 13-18-11 and environmental management
 8 laws, means the system of wells, pumps, structures, pipes, ~~and~~
 9 facilities, **and other constructed conveyances** through which water is
 10 obtained, treated as required, and supplied through a water distribution
 11 system for ~~sale to the provision to~~ the public for ~~domestic and other~~
 12 ~~uses:~~ **human consumption.**

13 (b) The term includes state owned facilities even though the water
 14 may not be sold to the public.

15 SECTION 3. IC 13-18-16-16 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:
 17 Sec. 16. (a) A nonprofit water utility may adopt a resolution approved
 18 by its board of directors under this section that reconstitutes the
 19 nonprofit water utility as a water authority to be named as provided in
 20 the resolution.

21 (b) A resolution adopted under this section must allow:
 22 (1) the structure of the board of directors; and
 23 (2) the rules governing the water authority;
 24 to remain the same as those applicable to the nonprofit water utility.

25 (c) The water authority shall retain all its powers, **privileges, rights,**
 26 **and exemptions** as a nonprofit water utility under:

- 27 (1) its existing bylaws and articles; and
- 28 (2) all laws applicable to nonprofit water utilities and local water
 29 corporations, **including powers granted under IC 32-11-3-1.**

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

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

37 (f) A water authority constituted under this section shall:
 38 (1) remain obligated under any existing contracts or agreements;
 39 and
 40 (2) remain obligated and assume the indebtedness;
 41 of the nonprofit water utility.

42 **(g) Notwithstanding any other law and subject to subsection (h),**

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1 **a water authority constituted under this section is subject only to**
2 **the laws applicable to nonprofit water utilities and local water**
3 **corporations.**

4 **(h) A water authority constituted under this section is subject to**
5 **IC 8-1.5-3-8 for purposes of setting rates and charges.**

6 **SECTION 4. An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred House Bill 1687, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

LYTLE, Chair

Committee Vote: yeas 13, nays 0.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1687 be amended to read as follows:

Page 2, after line 14, begin a new paragraph and insert:

"SECTION 3. IC 13-18-16-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:
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, **privileges, rights, and exemptions** 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, **including powers granted under IC 32-11-3-1.**

(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.

(g) Notwithstanding any other law and subject to subsection (h), a water authority constituted under this section is subject only to the laws applicable to nonprofit water utilities and local water corporations.

(h) A water authority constituted under this section is subject to IC 8-1.5-3-8 for purposes of setting rates and charges.

SECTION 4. **An emergency is declared for this act."**

(Reference is to HB 1687 as printed February 3, 1999.)

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