

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

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6804**

**BILL NUMBER: SB 474**

**DATE PREPARED:** Jan 4, 2000

**BILL AMENDED:**

**SUBJECT:** Solid waste management districts and brownfields.

**FISCAL ANALYST:** Bernadette Bartlett

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**FUNDS AFFECTED:**     **GENERAL**  
                           **DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that a solid waste management district may (1) identify and inventory brownfields; (2) conduct environmental assessments of brownfields; (3) design and implement environmental remediation activities for brownfields; and (4) receive loans or other financial assistance under the Environmental Remediation Revolving Loan Program.

**Effective Date:** July 1, 2000; March 1, 2001.

**Explanation of State Expenditures:** P.L. 59- 1997 created the Environmental Remediation Revolving Loan Fund (also known as the State's Brownfields Grant and Loan Program) to provide financial assistance to political subdivisions for identification, assessment, remediation, demolition and other costs involved in redeveloping brownfields. The legislation dedicated \$10 M over a three year period for brownfield redevelopment: \$5 M for FY 1997-1998 and \$2.5 M in each of the ensuing fiscal years (1998-1999, 1999-2000).

The Indiana Development Finance Authority administers the Environmental Remediation Revolving Loan Program. Working with the Indiana Department of Environmental Management, the State Budget Agency, and the Department of Commerce, the Authority has awarded 22 site assessment grants, totaling nearly \$600,000, and processed two loans, totaling \$550,000, in 1999. Since its establishment, the program has provided \$1.2 M in grants or loans to 36 communities. (HEA 1909-1999 added partially forgivable loans to the program which may increase applications.)

Allowing solid waste management districts to apply for funding through the program may increase demands on the fund. However, the program appears to have the resources available.

Expenses of administering the fund are to be paid from money in the fund.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The fiscal impact of allowing solid waste management districts to inventory brownfields, conduct environmental assessments, and implement remedial actions will depend on action taken by the local districts.

**Explanation of Local Revenues:** This bill allows solid waste management districts to receive loans or other financial assistance from the Environmental Remediation Revolving Loan Fund. The impact of this provision will depend on the number and nature of financial assistance requests that solid waste management districts generate.

**State Agencies Affected:** Indiana Development Finance Authority, Indiana Department of Environmental Management, State Budget Agency, and Department of Commerce.

**Local Agencies Affected:** Solid waste management districts and cities and towns receiving loans and other financial assistance from the Environmental Remediation Revolving Loan Program.

**Information Sources:** Michelle Study, Legislative Liaison, Indiana Development Finance Authority (317) 233-4332.