
SENATE BILL No. 156

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-1-2-128; IC 8-1.5.

Synopsis: Notice of utility rates, bonds, and taxes. Requires a municipally owned utility to mail notice of bond issues, tax levies, and proposed rate changes to residents or owners of property located in the utility's service area or taxing district but outside the corporate boundaries of the municipality. Requires the utility regulatory commission to mail notice of certain hearings to these residents and property owners.

Effective: July 1, 2005.

Landske, Antich-Carr

January 4, 2005, read first time and referred to Committee on Homeland Security, Utilities, and Public Policy.

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First Regular Session 114th General Assembly (2005)

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 2004 Regular Session of the General Assembly.

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SENATE BILL No. 156



A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

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

- 1 SECTION 1. IC 8-1-2-128 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2005]: **Sec. 128. (a) This section applies:**
- 4 **(1) to a hearing under this chapter concerning the rates, tolls,**
- 5 **charges, or schedules of a municipally owned utility; and**
- 6 **(2) in addition to any other law.**
- 7 **(b) The commission shall mail notice of a hearing described in**
- 8 **subsection (a) by certified mail to all residents or owners of**
- 9 **property located:**
- 10 **(1) in the geographic area served or taxed by the municipally**
- 11 **owned utility; and**
- 12 **(2) outside the corporate boundaries of the municipality.**
- 13 SECTION 2. IC 8-1.5-2-33 IS ADDED TO THE INDIANA CODE
- 14 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 15 1, 2005]: **Sec. 33. (a) This section applies in addition to any other**
- 16 **law to a municipality that:**
- 17 **(1) owns a utility; and**



1 **(2) either:**
 2 **(A) issues bonds, notes, or other obligations; or**
 3 **(B) levies a tax;**
 4 **under this chapter after June 30, 2005.**
 5 **(b) The legislative body of the municipality shall mail notice of**
 6 **an action described in subsection (a)(2) by certified mail to all**
 7 **residents or owners of property located:**
 8 **(1) in the geographic area served or taxed by the municipally**
 9 **owned utility; and**
 10 **(2) outside the corporate boundaries of the municipality.**
 11 SECTION 3. IC 8-1.5-3-8.1 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8.1. (a) This section
 13 applies to all municipally owned water utilities that have been taken
 14 out of the jurisdiction of the commission for the approval of rates and
 15 charges.
 16 (b) After the introduction of the ordinance establishing the rates and
 17 charges under section 8 of this chapter, but before the ordinance is
 18 finally adopted, the municipal legislative body shall hold a public
 19 hearing at which users of the waterworks, owners of property served or
 20 to be served by the waterworks, and other interested persons may be
 21 heard concerning the proposed rates and charges. Notice of the hearing,
 22 setting forth the proposed schedule of rates and charges, shall be:
 23 (1) published in accordance with IC 5-3-1 (IC 5-3-1-1 through
 24 IC 5-3-1-9);
 25 (2) mailed to owners of vacant or unimproved property if the
 26 ordinance includes a fee for water service to vacant or
 27 unimproved property; ~~and~~
 28 (3) mailed to users of the waterworks located outside the
 29 municipality's corporate boundaries; **and**
 30 **(4) mailed to all residents or owners of property located:**
 31 **(A) within the waterworks district; and**
 32 **(B) outside the corporate boundaries of the municipality;**
 33 **that are not described in subdivision (3).**
 34 The notice may be mailed in any form so long as the notice of hearing
 35 is conspicuous. The hearing may be adjourned from time to time.
 36 (c) After the hearing, the municipal legislative body shall adopt the
 37 ordinance establishing the rates and charges, either as originally
 38 introduced or as modified. A copy of the schedule of rates and charges
 39 adopted shall be kept on file and available for public inspection in the
 40 offices of the board and the municipal clerk.
 41 (d) The rates and charges established for any class of users or
 42 property shall be extended to cover any additional property that is

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1 subsequently served and falls within the same class. ~~without any~~
 2 ~~hearing or notice.~~ **Hearing and notice shall be provided under**
 3 **subsection (b).**

4 (e) The municipal legislative body may change or readjust the rates
 5 and charges in the same manner as they were established.

6 (f) Rates and charges collected under this chapter are considered
 7 revenues of the waterworks.

8 SECTION 4. IC 8-1.5-4-20 IS ADDED TO THE INDIANA CODE
 9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 10 1, 2005]: **Sec. 20. (a) This section applies in addition to any other**
 11 **law to a board that:**

12 (1) issues bonds, notes, or other obligations; or

13 (2) levies a tax;

14 **under this chapter after June 30, 2005.**

15 (b) The board shall mail notice of an action described in
 16 subsection (a) by certified mail to all residents or owners of
 17 property located:

18 (1) in the waterworks district; and

19 (2) outside the corporate boundaries of the municipality.

20 SECTION 5. [EFFECTIVE JULY 1, 2005] (a) IC 8-1.5-2-33, as
 21 added by this act, applies only to:

22 (1) bonds, notes, or other obligations first issued; or

23 (2) levies first due and payable;

24 **after June 30, 2005.**

25 (b) To the extent the addition of IC 8-1.5-2-33 by this act would
 26 impair the rights of bondholders of bonds:

27 (1) payable from levies imposed under IC 8-1.5-2; and

28 (2) issued before July 1, 2005;

29 **the applicable section or sections of IC 8-1.5-2 (as effective before**
 30 **July 1, 2005) continue to apply to levies first due and payable after**
 31 **June 30, 2005.**

32 SECTION 6. [EFFECTIVE JULY 1, 2005] (a) IC 8-1.5-4-20, as
 33 added by this act, applies only to:

34 (1) bonds, notes, or other obligations first issued; or

35 (2) levies first due and payable;

36 **after June 30, 2005.**

37 (b) To the extent the addition of IC 8-1.5-4-20 by this act would
 38 impair the rights of bondholders of bonds:

39 (1) payable from levies imposed under IC 8-1.5-4; and

40 (2) issued before July 1, 2005;

41 **the applicable section or sections of IC 8-1.5-4 (as effective before**
 42 **July 1, 2005) continue to apply to levies first due and payable after**

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1 **June 30, 2005.**

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