

Adopted	Rejected
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COMMITTEE REPORT

YES:	11
NO:	0

MR. SPEAKER:

*Your Committee on Environmental Affairs, to which was referred House Bill 1197, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 13-26-5-2.5 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) As used in
- 5 this section, "septic tank soil absorption system" has the meaning set
- 6 forth in IC 13-11-2-199.5.
- 7 (b) Subject to subsection (d) and except as provided in subsection
- 8 (e), a property owner is exempt from the requirement to connect to a
- 9 district's sewer system and to discontinue use of a septic tank soil
- 10 absorption system if the following conditions are met:
- 11 (1) The property owner's septic tank soil absorption system was
- 12 installed not more than five (5) years before the district's sewer
- 13 system's anticipated connection date:
- 14 (2) (1) The property owner's septic tank soil absorption system

- 1 was new at the time of installation and was approved in writing by
 2 the local health department.
- 3 ~~(3)~~ **(2)** The property owner, at the property owner's own expense,
 4 obtains and provides to the district a certification from the local
 5 health department or the department's designee that the septic
 6 tank soil absorption system is functioning satisfactorily. If the
 7 local health department or the department's designee denies the
 8 issuance of a certificate to the property owner, the property owner
 9 may appeal the denial to the board of the local health department.
 10 The decision of the board is final and binding.
- 11 ~~(4)~~ **(3)** The property owner provides the district with:
- 12 (A) the written notification of potential qualification for the
 13 exemption described in subsection (g); and
- 14 (B) the certification described in subdivision ~~(3)~~; **(2)**;
 15 within the time limits set forth in subsection (g).
- 16 (c) If a property owner, within the time allowed under subsection
 17 (g), notifies a district in writing that the property owner qualifies for the
 18 exemption under this section, the district shall, until the property
 19 owner's eligibility for an exemption under this section is determined,
 20 suspend the requirement that the property owner discontinue use of a
 21 septic tank soil absorption system and connect to the district's sewer
 22 system.
- 23 (d) A property owner who qualifies for the exemption provided
 24 under this section may not be required to connect to the district's sewer
 25 system for a period of ~~three (3)~~ **ten (10)** years beginning on the
 26 ~~district's sewer system's anticipated connection date~~ **the new septic**
 27 **tank soil absorption system was installed.** If ownership of the
 28 property passes from the owner who qualified for the exemption to
 29 another person during the exemption period, the exemption does not
 30 apply to the subsequent owner of the property.
- 31 (e) The district may require a property owner who qualifies for the
 32 exemption under this section to discontinue use of a septic tank soil
 33 absorption system and connect to the district's sewer system if the
 34 district credits the unamortized portion of the original cost of the
 35 property owner's septic tank soil absorption system against the debt
 36 service portion of the customer's monthly bill. The amount that the
 37 district must credit under this subsection is determined in STEP TWO
 38 of the following formula:

1 STEP ONE: Multiply the original cost of the property owner's
2 septic tank soil absorption system by a fraction, the numerator of
3 which is ninety-six (96) months minus the age in months of the
4 property owner's septic system, and the denominator of which is
5 ninety-six (96) months.

6 STEP TWO: Determine the lesser of four thousand eight hundred
7 dollars (\$4,800) or the result of STEP ONE.

8 The district shall apportion the total credit amount as determined in
9 STEP TWO against the debt service portion of the property owner's
10 monthly bill over a period to be determined by the district, but not to
11 exceed twenty (20) years, or two hundred forty (240) months.

12 (f) A district that has filed plans with the department to create or
13 expand a sewage district shall, within ten (10) days after filing the
14 plans, provide written notice to affected property owners:

15 (1) that the property owner may be required to discontinue the use
16 of a septic tank soil absorption system;

17 (2) that the property owner may qualify for an exemption from the
18 requirement to discontinue the use of the septic tank soil
19 absorption system; and

20 (3) of the procedures to claim an exemption.

21 (g) To qualify for an exemption under this section, a property owner
22 must:

23 (1) within sixty (60) days after the date of the written notice given
24 to the property owner under subsection (f), notify the district in
25 writing that the property owner qualifies for the exemption under
26 this section; and

27 (2) within sixty (60) days after the district receives the written
28 notice provided under subdivision (1), provide the district with
29 the certification required under subsection ~~(b)(3)~~: **(b)(2)**.

30 **(h) When a property owner who qualifies for an exemption**
31 **under this section subsequently discontinues use of the property**
32 **owner's septic tank soil absorption system and connects to the**
33 **district's sewer system, the property owner may be required to pay**
34 **only the following to connect to the sewer system:**

35 **(1) The connection fee the property owner would have paid if**
36 **the property owner connected to the sewer system on the first**
37 **date the property owner could have connected to the sewer**
38 **system.**

- 1 **(2) Any additional costs:**
- 2 **(A) considered necessary by; and**
- 3 **(B) supported by documentary evidence provided by;**
- 4 **the district.**

5 SECTION 2. IC 13-26-5-6 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Subject to
 7 ~~subsection~~ **subsections (b) and (c)**, the board may condemn for the use
 8 of the district public or private land, easements, rights, rights-of-way,
 9 franchises, or other property within or outside the district required by
 10 the district for the accomplishment of the district's purposes according
 11 to the statutory procedure for the appropriation of land or other
 12 property taken by an eligible entity.

13 (b) The power of condemnation by a district under this article may
 14 not be exercised against a sewage disposal company holding a
 15 certificate of territorial authority under IC 8-1-2-89 until the expiration
 16 of twelve (12) years after the granting of the certificate of territorial
 17 authority.

18 **(c) If the board of a regional sewage district exercises eminent**
 19 **domain to acquire an easement or right-of-way within or outside**
 20 **the district required by the district for the accomplishment of the**
 21 **district's purposes, the easement or right-of-way may not exceed**
 22 **fifty (50) feet in width."**

23 Page 1, delete lines 6 through 14, begin a new paragraph and insert:

24 **"(b) To add territory to a district already established, the board**
 25 **must file both of the following with the department:**

26 **(1) A motion adopted by the board requesting the addition of**
 27 **territory to the district.**

28 **(2) A petition that:**

29 **(A) is signed by the majority of freeholders within the area**
 30 **proposed to be added; and**

31 **(B) requests the addition of the area to the district."**

32 Page 1, line 15, delete "If a petition is" and insert "**Except as**
 33 **provided under subsection (d), if both petitions are"**.

34 Page 2, between lines 5 and 6, begin a new paragraph and insert:

35 **"(d) For purposes of subsection (c):**

36 **(1) the commissioner is not required to appoint a hearing**
 37 **officer under IC 13-26-2-5;**

38 **(2) the board shall:**

1 **(A) provide the notice of; and**
2 **(B) conduct;**
3 **the hearing required under IC 13-26-2-6; and**
4 **(3) instead of making findings and recommendations under**
5 **IC 13-26-2-8, the board shall submit documentary evidence to**
6 **the commissioner to prove the:**
7 **(A) notice was provided; and**
8 **(B) hearing was conducted;**
9 **by the board as required under subdivision (2)."**
10 Renumber all SECTIONS consecutively.
 (Reference is to HB 1197 as introduced.)

and when so amended that said bill do pass.

Representative Wolkins