

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1117 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 8-1-2-125 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 125. (a) As used in this
- 5 section, "not-for-profit utility" means a public water or sewer utility
- 6 that:
- 7 (1) does not have shareholders;
- 8 (2) does not engage in any activities for the profit of its trustees,
- 9 directors, incorporators, or members; and
- 10 (3) is organized and conducts its affairs for purposes other than
- 11 the pecuniary gain of its trustees, directors, incorporators, or
- 12 members.
- 13 **The term does not include a conservancy district established under**
- 14 **IC 14-33.**
- 15 **(b) As used in this section, "sewage disposal system" means all**
- 16 **equipment and devices necessary for proper conduction, collection,**
- 17 **storage, treatment, and onsite disposal of sewage or other similar**
- 18 **waste. The term includes septic tanks, soil absorption systems,**
- 19 **holding tanks, cesspools, and privies. The term does not include a**
- 20 **sewer system operated by a not-for-profit public sewer utility.**
- 21 **(c) For purposes of this section, a sewage disposal system is**
- 22 **"failing" if one (1) or more of the following apply:**
- 23 **(1) The system refuses to accept sewage at the rate of design**
- 24 **application and interferes with the normal use of plumbing**

- 1 fixtures.
- 2 **(2) Effluent discharge exceeds the absorptive capacity of the**
- 3 **soil into which the system discharges, resulting in ponding,**
- 4 **seepage, or other discharge of the effluent to the ground**
- 5 **surface or to surface waters.**
- 6 **(3) Effluent discharged from the system contaminates a**
- 7 **potable water supply, ground water, or surface waters.**
- 8 ~~(b)~~ **(d)** A not-for-profit utility shall be required to furnish reasonably
- 9 adequate services and facilities. The charge made by any not-for-profit
- 10 utility for any service rendered or to be rendered, either directly or in
- 11 connection with the service, must be nondiscriminatory, reasonable,
- 12 and just. Each discriminatory, unjust, or unreasonable charge for the
- 13 service is prohibited and unlawful.
- 14 ~~(c)~~ **(e)** A reasonable and just charge for water or sewer service
- 15 within the meaning of this section is a charge that will produce
- 16 sufficient revenue to pay all legal and other necessary expense incident
- 17 to the operation of the not-for-profit utility's system, including the
- 18 following:
- 19 (1) Maintenance and repair costs.
- 20 (2) Operating charges.
- 21 (3) Interest charges on bonds or other obligations.
- 22 (4) Provision for a sinking fund for the liquidation of bonds or
- 23 other evidences of indebtedness.
- 24 (5) Provision for a debt service reserve for bonds or other
- 25 obligations in an amount not to exceed the maximum annual debt
- 26 service on the bonds or obligations.
- 27 (6) Provision of adequate funds to be used as working capital.
- 28 (7) Provision for making extensions and replacements.
- 29 (8) The payment of any taxes that may be assessed against the
- 30 not-for-profit utility or its property.
- 31 The charges must produce an income sufficient to maintain the
- 32 not-for-profit utility's property in sound physical and financial
- 33 condition to render adequate and efficient service. A rate too low to
- 34 meet these requirements is unlawful.
- 35 ~~(d)~~ **(f)** Except as provided in ~~subsection (e)~~, **subsections (g) and (i)**,
- 36 a not-for-profit public sewer utility may require connection to its sewer
- 37 system of property producing sewage or similar waste and require the
- 38 discontinuance of use of ~~privies, cesspools, septic tanks, and similar~~
- 39 ~~structures~~, **a sewage disposal system** if:
- 40 (1) there is an available sanitary sewer within three hundred (300)
- 41 feet of the property line; and
- 42 (2) the utility has given written notice by certified mail to the
- 43 property owner at the address of the property at least ninety (90)
- 44 days before the date for connection stated in the notice.
- 45 **The notice given under subdivision (2) must also inform the**
- 46 **property owner that the property owner may qualify for an**

1 exemption as set forth in subsection (g).

2 (e) A not-for profit sewer utility may not require connection to its
3 sewer system of property producing sewage or similar waste and
4 require the discontinuance of use of privies, cesspools, septic tanks,
5 and similar structures if the source of the waste is more than five
6 hundred (500) feet from the point of connection to its sewer system:

7 (g) A property owner is exempt from the requirement to connect
8 to a sewer system of a not-for-profit public sewer utility and to
9 discontinue use of a sewage disposal system if the sewage disposal
10 system is not failing. To qualify for an exemption under this
11 subsection, a property owner must, within twenty (20) days after
12 the date of the written notice given to the property owner under
13 subsection (f), notify the not-for-profit public sewer utility that the
14 property owner qualifies for the exemption under this subsection
15 because the sewage disposal system is not failing or because the
16 property owner intends to repair or replace the sewage disposal
17 system, as applicable. Upon receipt of notice under this subsection,
18 the not-for-profit public sewer utility shall suspend the
19 requirement to discontinue use of the sewage disposal system for
20 one hundred eighty (180) days, during which the property owner
21 shall repair or replace the sewage disposal system as needed.
22 Before the expiration of the one hundred eighty (180) days, the
23 property owner shall notify the not-for-profit public sewer utility
24 in writing that:

25 (1) the sewage disposal system has been repaired or replaced,
26 as applicable, and is not failing; or

27 (2) the property owner requires additional time to repair or
28 replace the system.

29 A not-for-profit public sewer utility that receives notice under
30 subdivision (2) may grant the property owner additional time as it
31 determines proper.

32 (h) A property owner who qualifies for an exemption under
33 subsection (g):

34 (1) may not be required to:

35 (A) connect to a not-for-profit public sewer utility's sewer
36 system; and

37 (B) discontinue use of a sewage disposal system;

38 for five (5) years beginning on the date the exemption begins;
39 and

40 (2) may apply for additional and unlimited five (5) year
41 extensions of the exemption if the owner obtains and provides
42 to the not-for-profit public sewer utility, at the owner's
43 expense, a certification from the local health department or
44 the department's designee that the sewage disposal system is
45 not failing.

46 (i) A not-for-profit public sewer utility may not require a
47 property owner to connect to the not-for-profit public sewer

1 utility's sewer system if:

- 2 (1) the property is located on at least ten (10) acres;
 3 (2) the owner can demonstrate the availability of at least two
 4 (2) areas on the property for the collection and treatment of
 5 sewage that will protect human health and the environment;
 6 (3) the waste stream from the property is limited to domestic
 7 sewage from a residence or business;
 8 (4) the system used to collect and treat the domestic sewage
 9 has a maximum design flow of seven hundred fifty (750)
 10 gallons per day; and
 11 (5) the owner, at the owner's expense, obtains and provides to
 12 the district a certification from the local health department or
 13 the department's designee that the system is functioning
 14 satisfactorily.

15 (j) A property owner who connects to a not-for-profit public
 16 sewer utility's sewer system may provide, at the owner's expense,
 17 labor, equipment, materials, or any combination of labor,
 18 equipment, and materials from any source to accomplish the
 19 connection to the sewer system, subject to inspection and approval
 20 by the not-for-profit public sewer utility.

21 (k) This section does not prohibit the state department of health,
 22 a local health department, or a county health officer from
 23 proceeding under IC 16-41-20 to declare a dwelling served by a
 24 sewage disposal system a public nuisance and pursuing all
 25 available remedies."

26 Page 2, between lines 28 and 29, begin a new paragraph and insert:

27 "SECTION 3. IC 13-11-2-199.5 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 199.5. "Septic tank soil
 29 absorption system", for purposes of **this chapter and IC 13-18-12, and**
 30 ~~IC 13-26-5-2.5~~; means pipes laid in a system of trenches or elevated
 31 beds, into which the effluent from the septic tank is discharged for soil
 32 absorption, or similar structures.

33 SECTION 4. IC 13-11-2-201, AS AMENDED BY P.L.159-2011,
 34 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2012]: Sec. 201. "Sewage disposal system", for purposes of
 36 this chapter, IC 13-18-12, ~~and IC 13-20-17.5, and IC 13-26-5~~, means
 37 septic tanks, **septic tank soil absorption systems**, septage holding
 38 tanks, seepage pits, cesspools, privies, composting toilets, interceptors
 39 or grease traps, portable sanitary units, and other equipment, facilities,
 40 or devices used to:

- 41 (1) store;
 42 (2) treat;
 43 (3) make inoffensive; or
 44 (4) dispose of;

45 human excrement or liquid carrying wastes of a domestic nature."

46 Page 13, line 19, delete "2004," and insert "2004:".

- 1 Page 13, line 20, beginning with "each" begin a new line block
- 2 indented and insert:
- 3 **"(1)".**
- 4 Page 13, line 20, delete "or youth camp".
- 5 Page 13, line 21, delete "unit." and insert "unit; **and**
- 6 **(2) each bed at the youth camp may not equal more than**
- 7 **one-eighth (1/8) of one (1) residential equivalent unit."**
- 8 Page 13, line 21, beginning with "The" begin a new line blocked
- 9 left.
- 10 Renumber all SECTIONS consecutively.
(Reference is to HB 1117 as printed January 25, 2012.)

Representative Wolkins