March 19, 2013

ENGROSSED
HOUSE BILL No. 1497

DIGEST OF HB 1497 (Updated March 18, 2013 12:27 pm - DI 118)

Citations Affected: IC 8-1; IC 13-11; IC 13-26; IC 16-20; IC 35-44.1; IC 35-51.

Synopsis: Regional water, sewage, and solid waste districts. Amends the requirements that a property owner must meet to discontinue use of a sewage disposal system and connect to a sewer system operated by a not-for-profit sewer utility or a regional sewage district. Amends the type of notice that must be provided to property owners that would be served by a proposed regional water, sewage, or solid waste district before the district is established. Provides that a proposed regional water, sewage, or solid waste district may not be established if a majority of property owners that would be served by the district submit

(Continued next page)

Effective: July 1, 2013.

Zent, Ober, Smaltz, Errington
(SENATE SPONSORS — LEISING, CHARBONNEAU)

January 22, 2013, read first time and referred to Committee on Environmental Affairs.
February 14, 2013, amended, reported — Do Pass.
February 18, 2013, read second time, ordered engrossed.
February 19, 2013, engrossed. Read third time, passed. Yeas 88, nays 2.

SENATE ACTION

February 25, 2013, read first time and referred to Committee on Environmental Affairs.
March 18, 2013, amended, reported favorably — Do Pass.

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Digest Continued

a petition to the department of environmental management (department) that indicates the owners are opposed to the establishment of the district. Provides that an existing regional sewage or solid waste district may not add territory to the district if a majority of the freeholders within the proposed territory to be added submit a petition to the department that indicates the freeholders are opposed to the addition of the territory by the district. Allows a ratepayer of a regional water, sewage, or solid waste district to serve on the board of trustees for the district. Provides that notice requirements for certain construction permit applications apply to sewer and water system construction. (Current law exempts sewer and water system construction permit applications from the notice requirements.) Makes it a Class C misdemeanor instead of a Class C infraction for a person to provide false information to a health officer. Makes it false informing, a Class B misdemeanor, for a person to give a false report related to sewage disposal systems and sewer connections knowing the information to be false.

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March 19, 2013

First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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ENGROSSED
HOUSE BILL No. 1497

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:

SECTION 1. IC 8-1-2-125, AS AMENDED BY P.L.97-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 125. (a) As used in this section, "not-for-profit utility" means a public water or sewer utility that:

(1) does not have shareholders;

(2) does not engage in any activities for the profit of its trustees, directors, incorporators, or members; and

(3) is organized and conducts its affairs for purposes other than the pecuniary gain of its trustees, directors, incorporators, or members.

The term does not include a regional district established under IC 13-26, a conservancy district established under IC 14-33, or, for purposes of subsections (f), (g), (h), (i), (j), and (k), a utility company owned, operated, or held in trust by a consolidated city.

(b) As used in this section, "sewage disposal system" means a privy, cesspool, septic tank, or other similar structure. The term includes a septic tank soil absorption system (as defined in IC 13-11-2-199.5).

The term does not include a sewer system operated by a not-for-profit public sewer utility.

(c) A not-for-profit utility shall be required to furnish reasonably adequate services and facilities. The charge made by any not-for-profit utility for any service rendered or to be rendered, either directly or in connection with the service, must be nondiscriminatory, reasonable, and just. Each discriminatory, unjust, or unreasonable charge for the service is prohibited and unlawful.

(d) A reasonable and just charge for water or sewer service within the meaning of this section is a charge that will produce sufficient revenue to pay all legal and other necessary expense incident to the operation of the not-for-profit utility's system, including the following:

(1) Maintenance and repair costs.

(2) Operating charges.

(3) Interest charges on bonds or other obligations.

(4) Provision for a sinking fund for the liquidation of bonds or other evidences of indebtedness.

(5) Provision for a debt service reserve for bonds or other obligations in an amount not to exceed the maximum annual debt service on the bonds or obligations.

(6) Provision of adequate funds to be used as working capital.

(7) Provision for making extensions and replacements.

(8) The payment of any taxes that may be assessed against the not-for-profit utility or its property.

The charges must produce an income sufficient to maintain the not-for-profit utility's property in sound physical and financial condition to render adequate and efficient service. A rate too low to meet these requirements is unlawful.

(e) Except as provided in subsections (f) and (h), a not-for-profit public sewer utility may require connection to its sewer system of property producing sewage or similar waste and require the discontinuance of use of a sewage disposal system if:

(1) there is an available sanitary sewer within three hundred (300) feet of the property line; and

(2) the utility has given written notice by certified mail to the property owner at the address of the property at least ninety (90) days before the date for connection stated in the notice.

The notice given under subdivision (2) must also inform the property owner, other than an owner of property located in a consolidated city, that the property owner may qualify for an exemption as set forth in subsection (f).

(f) Subject to subsection (h), a property owner is exempt from the

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requirement to connect to a not-for-profit public sewer utility's sewer system and to discontinue use of a sewage disposal system if the following conditions are met:

(1) The property owner's sewage disposal system is a septic tank soil absorption system that was new at the time of installation and approved in writing by the local health department.

(2) The property owner, at the property owner's expense, obtains ~~and provides to the not-for-profit public sewer utility a certification~~ **a written determination** from the local health department or the department's designee that the ~~sewage disposal~~ **septic tank soil absorption** system is ~~functioning satisfactorily.~~ **not failing. The local health department or the department's designee shall provide the owner with a written determination not later than sixty (60) days after receipt of the owner's request. If the local health department or the department's designee fails to provide a written determination within the time established in this subdivision, the owner, at the owner's expense, may obtain a written determination from a qualified inspector.** If the local health department or the department's designee ~~denies the issuance of a certificate to the property owner,~~ **determines that a septic tank soil absorption system is failing,** the property owner may appeal the ~~denial~~ **determination** to the board of the local health department. The decision of the board is final and binding.

(3) The property owner provides the not-for-profit public sewer utility with:

(A) the written notification of potential qualification for the exemption described in subsection (i); and

(B) the ~~certification~~ **written determination** described in subdivision (2);

within the time limits set forth in subsection (i).

(g) If a property owner, within the time allowed under subsection (i), notifies a not-for-profit public sewer utility in writing that the property owner qualifies for the exemption under this section, the not-for-profit public sewer utility shall, until the property owner's eligibility for an exemption under this section is determined, suspend the requirement that the property owner discontinue use of a sewage disposal system and connect to the not-for-profit public sewer utility's sewer system.

(h) A property owner who qualifies for the exemption provided under this section may not be required to connect to the not-for-profit public sewer utility's sewer system for a period of ten (10) years

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beginning on the date the new sewage disposal system was installed. A property owner may apply for two (2) five (5) year extensions of the exemption provided under this section by following the procedures set forth in subsections (f) and (g). If ownership of an exempt property is transferred during a valid exemption period, including during an extension of an initial exemption:

(1) the exemption applies to the subsequent owner of the property for the remainder of the exemption period during which the transfer occurred; and

(2) the subsequent owner may apply for any remaining extensions.

However, the total period during which a property may be exempt from the requirement to connect to a district's sewer system under this section may not exceed twenty (20) years, regardless of ownership of the property.

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

(1) within sixty (60) days after the date of the written notice given to the property owner under subsection (e), notify the not-for-profit public sewer utility in writing that the property owner qualifies for the exemption under this section; and

(2) within ~~sixty (60)~~ **one hundred twenty (120)** days after the not-for-profit public sewer utility receives the written notice provided under subdivision (1), provide the not-for-profit public sewer utility with the ~~certification~~ **written determination** required under subsection (f)(2).

(j) When a property owner who qualifies for an exemption under this section subsequently discontinues use of the property owner's sewage disposal system and connects to the not-for-profit public sewer utility's sewer system, the property owner may be required to pay only the following to connect to the sewer system:

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

(2) Any additional costs:

(A) considered necessary by; and

(B) supported by documentary evidence provided by;

the not-for-profit public sewer utility.

(k) A not-for-profit public sewer utility may not require a property owner to connect to the not-for-profit public sewer utility's sewer system if:

(1) the property is located on at least ten (10) acres;

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(2) the owner can demonstrate the availability of at least two (2) areas on the property for the collection and treatment of sewage that will protect human health and the environment;

(3) the waste stream from the property is limited to domestic sewage from a residence or business;

(4) the system used to collect and treat the domestic sewage has a maximum design flow of seven hundred fifty (750) gallons per day; and

(5) the owner, at the owner's expense, obtains and provides to the district a certification from the local health department or the department's designee that the system is functioning satisfactorily.

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

(m) This section does not affect the authority of the state department of health, a local health department, or a county health officer with respect to a sewage disposal system.

(n) For purposes of this section, a sewage disposal system is "failing" if one (1) or more of the following apply:

(1) The system refuses to accept sewage at the rate of design application and interferes with the normal use of plumbing fixtures.

(2) Effluent discharge exceeds the absorptive capacity of the soil into which the system discharges, resulting in ponding, seepage, or other discharge of the effluent to the ground surface or to surface waters.

(3) Effluent discharged from the system contaminates a potable water supply, ground water, or surface waters.

(o) As used in this section, "qualified inspector" means any of the following:

(1) An employee of a local health department who is designated by the local health department as having sufficient knowledge of onsite sewage systems to determine if an onsite sewage system is failing.

(2) An individual who is certified by the Indiana Onsite Wastewater Professionals Association as an onsite sewage system installer or inspector.

(3) An individual listed by the state department of health or the local health department with jurisdiction over the service

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area of the property inspected as having sufficient knowledge of onsite sewage systems to determine if an onsite sewage system is failing.

SECTION 2. IC 13-11-2-199.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 199.5. "Septic tank soil absorption system", for purposes of **this chapter,** IC 13-18-12, and IC 13-26-5-2.5, means pipes laid in a system of trenches or elevated beds, into which the effluent from the septic tank is discharged for soil absorption, or similar structures.

SECTION 3. IC 13-11-2-201, AS AMENDED BY P.L.159-2011, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 201. "Sewage disposal system", for purposes of this chapter, IC 13-18-12, and IC 13-20-17.5, means septic tanks, **septic tank soil absorption systems,** septage holding tanks, seepage pits, cesspools, privies, composting toilets, interceptors or grease traps, portable sanitary units, and other equipment, facilities, or devices used to:

(1) store;
(2) treat;
(3) make inoffensive; or
(4) dispose of;

human excrement or liquid carrying wastes of a domestic nature.

SECTION 4. IC 13-26-2-2.5, AS ADDED BY P.L.97-2012, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2.5. (a) Before a representative may file a petition to establish a district, the representative must provide notice to all owners of property to be served by the proposed district that is the subject of the petition.

(b) Notice under subsection (a) must be provided as follows:

(1) Beginning at least thirty (30) days before the date on which a public meeting under subsection (c) is scheduled, by publication of notice one (1) time each week for three (3) consecutive weeks in at least two (2) newspapers of general circulation in each of the counties, in whole or in part, in the proposed district. If there is only one (1) newspaper of general circulation in a county, a single publication each week for three (3) consecutive weeks satisfies the requirement of this subdivision.

(2) ~~Either:~~ **Beginning at least fourteen (14) days before the date on which a public meeting under subsection (c) is scheduled, by:**

(A) ~~by~~ **first class** United States mail, postage prepaid, mailed to each freeholder within the proposed district; ~~or~~ **and**

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(B) ~~by~~ broadcasting at least three (3) public service announcements each day for fourteen (14) days on at least two (2) radio stations operating in each of the counties, in whole or in part, in the proposed district.

~~beginning at least fourteen (14) days before the date on which a public meeting under subsection (c) is scheduled.~~

(c) After providing notice under subsection (b), a representative that seeks to file a petition to establish a district must conduct a public meeting to discuss and receive comments on the proposed district.

(d) A representative may not file a petition to establish a district:

(1) more than one hundred eighty (180) or less than sixty (60) days after providing notice under subsection (b); or

(2) less than thirty (30) days after a meeting held under subsection (c).

SECTION 5. IC 13-26-2-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 3.5. Not more than one hundred eighty (180) days after the date a petition is filed with the department under section 1 of this chapter to establish a regional district, if another petition is filed with the department that is signed by a majority of the owners of property that would be served by the proposed district and indicating that the owners of the property are opposed to the establishment of the proposed district, the department shall declare that the petition filed under section 1 of this chapter to establish the regional district:**

(1) is void; and

(2) is not a sufficient petition for purposes of section 5 of this chapter.

SECTION 6. IC 13-26-4-6, AS AMENDED BY P.L.97-2012, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 6. (a) This section does not apply to a district described in section 6.1 of this chapter.

(b) An appointed trustee does not have to be a resident of the district.

(c) An appointed trustee must:

(1) own real property within the district;

(2) be a trustee appointed under section 4 or 5 of this chapter; ~~or~~

(3) be an elected official who represents a political subdivision that has territory in the district; **or**

(4) be a ratepayer of the district.

SECTION 7. IC 13-26-5-2.5, AS AMENDED BY P.L.97-2012, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2013]: Sec. 2.5. (a) As used in this section, "septic tank soil absorption system" has the meaning set forth in IC 13-11-2-199.5.

(b) Subject to subsection (d), a property owner is exempt from the requirement to connect to a district's sewer system and to discontinue use of a septic tank soil absorption system if the following conditions are met:

(1) The property owner's septic tank soil absorption system was new at the time of installation and was approved in writing by the local health department.

(2) The property owner, at the property owner's own expense, obtains ~~and provides to the district a certification~~ **a written determination** from the local health department or the department's designee that the septic tank soil absorption system is ~~functioning satisfactorily.~~ **not failing. The local health department or the department's designee shall provide the owner with a written determination not later than sixty (60) days after receipt of the owner's request. If the local health department or the department's designee fails to provide a written determination within the time established in this subdivision, the owner, at the owner's expense, may obtain a written determination from a qualified inspector.** If the local health department or the department's designee ~~denies the issuance of a certificate to the property owner~~, **determines that a septic tank soil absorption system is failing,** the property owner may appeal the ~~denial~~ **determination** to the board of the local health department. The decision of the board is final and binding.

(3) The property owner provides the district with:

(A) the written notification of potential qualification for the exemption described in subsection (f); and

(B) the ~~certification~~ **written determination** described in subdivision (2);

within the time limits set forth in subsection (f).

(c) If a property owner, within the time allowed under subsection (f), notifies a district in writing that the property owner qualifies for the exemption under this section, the district shall, until the property owner's eligibility for an exemption under this section is determined, suspend the requirement that the property owner discontinue use of a septic tank soil absorption system and connect to the district's sewer system.

(d) A property owner who qualifies for the exemption provided under this section may not be required to connect to the district's sewer

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system for a period of ten (10) years beginning on the date the new septic tank soil absorption system was installed. A property owner may apply for two (2) five (5) year extensions of the exemption provided under this section by following the procedures set forth in subsections (b) and (c). If ownership of an exempt property is transferred during a valid exemption period, including during an extension of an initial exemption:

(1) the exemption applies to the subsequent owner of the property for the remainder of the exemption period during which the transfer occurred; and

(2) the subsequent owner may apply for any remaining extensions.

However, the total period during which a property may be exempt from the requirement to connect to a district's sewer system under this section may not exceed twenty (20) years, regardless of ownership of the property.

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

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

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

(3) of the procedures to claim an exemption.

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

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

(2) within ~~sixty (60)~~ **one hundred twenty (120)** days after the district receives the written notice provided under subdivision (1), provide the district with the ~~certification~~ **written determination** required under subsection (b)(2).

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

(1) The connection fee the property owner would have paid if the property owner connected to the sewer system on the first date the

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property owner could have connected to the sewer system.

(2) Any additional costs:

(A) considered necessary by; and

(B) supported by documentary evidence provided by;

the district.

(h) A property owner who connects to a district's sewer system may provide, at the owner's expense, labor, equipment, materials, or any combination of labor, equipment, and materials from any source to accomplish the connection to the sewer system, subject to inspection and approval by the board or a designee of the board.

(i) This section does not affect the authority of the state department of health, a local health department, or a county health officer with respect to a septic tank soil absorption system.

(j) For purposes of this section, a septic tank soil absorption system is "failing" if one (1) or more of the following apply:

(1) The system refuses to accept sewage at the rate of design application and interferes with the normal use of plumbing fixtures.

(2) Effluent discharge exceeds the absorptive capacity of the soil into which the system discharges, resulting in ponding, seepage, or other discharge of the effluent to the ground surface or to surface waters.

(3) Effluent discharged from the system contaminates a potable water supply, ground water, or surface waters.

(k) As used in this section, "qualified inspector" means any of the following:

(1) An employee of a local health department who is designated by the local health department as having sufficient knowledge of onsite sewage systems to determine if an onsite sewage system is failing.

(2) An individual who is certified by the Indiana Onsite Wastewater Professionals Association as an onsite sewage system installer or inspector.

(3) An individual listed by the state department of health or a local health department with jurisdiction over the service area of the property inspected as having sufficient knowledge of onsite sewage systems to determine if an onsite sewage system is failing.

SECTION 8. IC 13-26-5-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 6.5. A district that intends to extend service within its territory shall provide notice to all owners of property to be served**

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by the proposed extension of service in the following manner not later than sixty (60) days from the date of the decision to extend service:

(1) By publication of notice one (1) time each week for three (3) consecutive weeks in at least two (2) newspapers of general circulation in each of the counties, in whole or in part, of the district affected by the proposed extension of service. If there is only one (1) newspaper of general circulation in a county, a single publication each week for three (3) consecutive weeks satisfies the requirement of this subdivision.

(2) By United States mail, postage prepaid, mailed to each freeholder within the territory to which the district proposes to extend service.

SECTION 9. IC 13-26-8-4, AS ADDED BY P.L.123-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 4. (a) This section applies to the addition of territory to a regional sewage or solid waste district other than at the request of an eligible entity described in section 1 of this chapter. This section does not apply to a regional water district.

(b) To add territory to a district already established, the board must file ~~both of the following~~ with the department

~~(1)~~ a motion adopted by the board requesting the addition of territory to the district.

~~(2) A petition that:~~

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

~~(B) requests the addition of the area to the district.~~

(c) Except as provided under ~~subsection~~ **subsections** (d) **and (e),** if ~~both petitions are~~ **a motion is** filed with the department under subsection (b):

(1) the same procedure must be used to add territory to the district as is provided for the establishment of a district under IC 13-26-2; and

(2) the department shall proceed in the same manner that is set forth in IC 13-26-2, IC 13-26-4, IC 13-26-6, and IC 13-26-7.

(d) Not more than one hundred eighty (180) days after the date a motion is filed with the department under subsection (b) to add territory to a district already established, if a petition is filed with the department that is signed by a majority of the freeholders within the area proposed to be added and indicating that the freeholders are opposed to the addition of the area by the district:

(1) the department may not proceed under subsection (c); and

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(2) the territory may not be added to the district.

~~(d)~~ **(e)** For purposes of subsection (c):

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

(2) the board shall:

(A) provide the notice of; and

(B) conduct;

the hearing required under IC 13-26-2-6; and

(3) instead of making findings and recommendations under IC 13-26-2-8, the board shall submit documentary evidence to the commissioner to prove the:

(A) notice was provided; and

(B) hearing was conducted;

by the board as required under subdivision (2).

SECTION 10. IC 16-20-1-25, AS AMENDED BY P.L.97-2012, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 25. (a) A person shall not institute, permit, or maintain any conditions that may transmit, generate, or promote disease.

(b) A health officer, upon receiving a complaint asserting the existence of unlawful conditions described in subsection (a) within the officer's jurisdiction, shall document the complaint as provided in subsection (d). Upon verifying the information contained in the complaint, the health officer shall order the abatement of those conditions. The order must:

(1) be in writing;

(2) specify the conditions that may transmit disease; and

(3) name the shortest reasonable time for abatement.

(c) If a person refuses or neglects to obey an order issued under this section, the attorney representing the county of the health jurisdiction where the offense occurs shall, upon receiving the information from the health officer, institute proceedings in the courts for enforcement. An order may be enforced by injunction. If the action concerning public health is a criminal offense, a law enforcement authority with jurisdiction over the place where the offense occurred shall be notified.

(d) A complaint made under subsection (b) must include adequate details to allow the health officer to verify the existence of the unlawful conditions that are the subject of the complaint. A health officer shall provide a copy of a complaint upon request to the person who is the subject of the complaint.

(e) A person who provides false information upon which a health officer relies in issuing an order under this section commits a Class C

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~~infraction.~~ **misdemeanor.**

SECTION 11. IC 35-44.1-2-3, AS ADDED BY P.L.126-2012, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 3. (a) As used in this section, "consumer product" has the meaning set forth in IC 35-45-8-1.

(b) As used in this section, "misconduct" means a violation of a departmental rule or procedure of a law enforcement agency.

(c) A person who reports, by telephone, telegraph, mail, or other written or oral communication, that:

(1) the person or another person has placed or intends to place an explosive, a destructive device, or other destructive substance in a building or transportation facility;

(2) there has been or there will be tampering with a consumer product introduced into commerce; or

(3) there has been or will be placed or introduced a weapon of mass destruction in a building or a place of assembly;

knowing the report to be false, commits false reporting, a Class D felony.

(d) A person who:

(1) gives a false report of the commission of a crime or gives false information in the official investigation of the commission of a crime, knowing the report or information to be false;

(2) gives a false alarm of fire to the fire department of a governmental entity, knowing the alarm to be false;

(3) makes a false request for ambulance service to an ambulance service provider, knowing the request to be false;

(4) gives a false report concerning a missing child (as defined in IC 10-13-5-4) or missing endangered adult (as defined in IC 12-7-2-131.3) or gives false information in the official investigation of a missing child or missing endangered adult knowing the report or information to be false;

(5) makes a complaint against a law enforcement officer to the state or municipality (as defined in IC 8-1-13-3(b)) that employs the officer:

(A) alleging the officer engaged in misconduct while performing the officer's duties; and

(B) knowing the complaint to be false; ~~or~~

(6) makes a false report of a missing person, knowing the report or information is false; **or**

(7) gives a false report of actions, behavior, or conditions concerning a septic tank soil absorption system under IC 8-1-2-125 or IC 13-26-5-2.5 knowing the report or

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information to be false;

commits false informing, a Class B misdemeanor. However, the offense is a Class A misdemeanor if it substantially hinders any law enforcement process or if it results in harm to an innocent person.

SECTION 12. IC 35-51-16-1, AS ADDED BY P.L.70-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 1. The following statutes define crimes in IC 16:

IC 16-19-12-1 (Concerning the state department of health).
IC 16-20-1-25 (Concerning local health departments).
IC 16-20-9-1 (Concerning local health departments).
IC 16-21-2-2.5 (Concerning licensure of hospitals).
IC 16-21-5-3 (Concerning licensure of hospitals).
IC 16-21-6-12 (Concerning hospital financial disclosure law).
IC 16-21-7-5 (Concerning hospitals).
IC 16-25-5-8 (Concerning hospices).
IC 16-25-6-1 (Concerning hospices).
IC 16-27-1-15 (Concerning home health agencies).
IC 16-27-2-3 (Concerning home health agencies).
IC 16-27-4-23 (Concerning home health agencies).
IC 16-28-7-5 (Concerning monitors).
IC 16-28-9-3 (Concerning monitors).
IC 16-28-9-4 (Concerning monitors).
IC 16-28-9-5 (Concerning monitors).
IC 16-30-5-1 (Concerning health planning).
IC 16-31-3-16 (Concerning emergency medical services).
IC 16-31-3-22 (Concerning emergency medical services).
IC 16-31-10-2 (Concerning emergency medical services).
IC 16-34-2-5 (Concerning abortion).
IC 16-34-2-6 (Concerning abortion).
IC 16-34-2-7 (Concerning abortion).
IC 16-36-4-15 (Concerning medical consent).
IC 16-36-4-16 (Concerning medical consent).
IC 16-36-5-27 (Concerning medical consent).
IC 16-36-5-28 (Concerning medical consent).
IC 16-37-1-12 (Concerning vital statistics).
IC 16-37-1-13 (Concerning vital statistics).
IC 16-37-2-2.1 (Concerning vital statistics).
IC 16-37-2-19 (Concerning vital statistics).
IC 16-37-3-16 (Concerning vital statistics).
IC 16-38-5-4 (Concerning health registries).
IC 16-39-7.1-3 (Concerning health records).
IC 16-39-7.1-6 (Concerning health records).

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IC 16-41-1-3 (Concerning communicable diseases).
IC 16-41-2-9 (Concerning communicable diseases).
IC 16-41-3-3 (Concerning communicable diseases).
IC 16-41-4-3 (Concerning communicable diseases).
IC 16-41-5-3 (Concerning communicable diseases).
IC 16-41-6-3 (Concerning communicable diseases).
IC 16-41-7-5 (Concerning communicable diseases).
IC 16-41-8-1 (Concerning communicable diseases).
IC 16-41-8-3 (Concerning communicable diseases).
IC 16-41-8-5 (Concerning communicable diseases).
IC 16-41-9-1.5 (Concerning communicable diseases).
IC 16-41-10-5 (Concerning communicable diseases).
IC 16-41-10-7 (Concerning communicable diseases).
IC 16-41-12-13 (Concerning communicable diseases).
IC 16-41-12-14 (Concerning communicable diseases).
IC 16-41-12-15 (Concerning communicable diseases).
IC 16-41-13-3 (Concerning communicable diseases).
IC 16-41-13-4 (Concerning communicable diseases).
IC 16-41-13-6 (Concerning communicable diseases).
IC 16-41-14-13 (Concerning communicable diseases).
IC 16-41-14-15 (Concerning communicable diseases).
IC 16-41-14-16 (Concerning communicable diseases).
IC 16-41-14-17 (Concerning communicable diseases).
IC 16-41-14-20 (Concerning communicable diseases).
IC 16-41-15-18 (Concerning communicable diseases).
IC 16-41-16-11 (Concerning communicable diseases).
IC 16-41-18-6 (Concerning prevention and treatment programs).
IC 16-41-19-10 (Concerning prevention and treatment programs).
IC 16-41-20-13 (Concerning health, sanitation, and safety).
IC 16-41-21-18 (Concerning health, sanitation, and safety).
IC 16-41-21-19 (Concerning health, sanitation, and safety).
IC 16-41-22-21 (Concerning health, sanitation, and safety).
IC 16-41-22-22 (Concerning health, sanitation, and safety).
IC 16-41-23-4 (Concerning health, sanitation, and safety).
IC 16-41-24-11 (Concerning health, sanitation, and safety).
IC 16-41-25-2 (Concerning health, sanitation, and safety).
IC 16-41-27-34 (Concerning health, sanitation, and safety).
IC 16-41-29-5 (Concerning regulation of lodging facilities and bedding materials).
IC 16-41-32-30 (Concerning regulation of lodging facilities and bedding materials).
IC 16-41-33-9 (Concerning pest control).

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IC 16-41-34-8 (Concerning pest control).
IC 16-41-35-40 (Concerning radiation).
IC 16-41-38-10 (Concerning radon gas).
IC 16-42-1-16 (Concerning Uniform Food, Drug, and Cosmetic Act).
IC 16-42-1-34 (Concerning Uniform Food, Drug, and Cosmetic Act).
IC 16-42-2-8 (Concerning Uniform Food, Drug, and Cosmetic Act).
IC 16-42-2-9 (Concerning Uniform Food, Drug, and Cosmetic Act).
IC 16-42-3-12 (Concerning Uniform Food, Drug, and Cosmetic Act).
IC 16-42-4-5 (Concerning Uniform Food, Drug, and Cosmetic Act).
IC 16-42-5-26 (Concerning sanitary requirements for food establishments).
IC 16-42-5-27 (Concerning sanitary requirements for food establishments).
IC 16-42-10-13 (Concerning food).
IC 16-42-18-7 (Concerning food).
IC 16-42-19-27 (Concerning the Indiana Legend Drug Act).
IC 16-42-21-4 (Concerning the Indiana Legend Drug Act).
IC 16-44-1-1 (Concerning product labeling and inspection).
IC 16-44-2-22 (Concerning product labeling and inspection).
IC 16-46-6-12 (Concerning state health grants and programs).

C o p y

COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred House Bill 1497, 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:

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 8-1-2-125, AS AMENDED BY P.L.97-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 125. (a) As used in this section, "not-for-profit utility" means a public water or sewer utility that:

(1) does not have shareholders;

(2) does not engage in any activities for the profit of its trustees, directors, incorporators, or members; and

(3) is organized and conducts its affairs for purposes other than the pecuniary gain of its trustees, directors, incorporators, or members.

The term does not include a regional district established under IC 13-26, a conservancy district established under IC 14-33, or, for purposes of subsections (f), (g), (h), (i), (j), and (k), a utility company owned, operated, or held in trust by a consolidated city.

(b) As used in this section, "sewage disposal system" means a privy, cesspool, septic tank, or other similar structure. The term includes a septic tank soil absorption system (as defined in IC 13-11-2-199.5). The term does not include a sewer system operated by a not-for-profit public sewer utility.

(c) A not-for-profit utility shall be required to furnish reasonably adequate services and facilities. The charge made by any not-for-profit utility for any service rendered or to be rendered, either directly or in connection with the service, must be nondiscriminatory, reasonable, and just. Each discriminatory, unjust, or unreasonable charge for the service is prohibited and unlawful.

(d) A reasonable and just charge for water or sewer service within the meaning of this section is a charge that will produce sufficient revenue to pay all legal and other necessary expense incident to the operation of the not-for-profit utility's system, including the following:

(1) Maintenance and repair costs.

(2) Operating charges.

(3) Interest charges on bonds or other obligations.

(4) Provision for a sinking fund for the liquidation of bonds or other evidences of indebtedness.

(5) Provision for a debt service reserve for bonds or other

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obligations in an amount not to exceed the maximum annual debt service on the bonds or obligations.

(6) Provision of adequate funds to be used as working capital.

(7) Provision for making extensions and replacements.

(8) The payment of any taxes that may be assessed against the not-for-profit utility or its property.

The charges must produce an income sufficient to maintain the not-for-profit utility's property in sound physical and financial condition to render adequate and efficient service. A rate too low to meet these requirements is unlawful.

(e) Except as provided in subsections (f) and (h), a not-for-profit public sewer utility may require connection to its sewer system of property producing sewage or similar waste and require the discontinuance of use of a sewage disposal system if:

(1) there is an available sanitary sewer within three hundred (300) feet of the property line; and

(2) the utility has given written notice by certified mail to the property owner at the address of the property at least ninety (90) days before the date for connection stated in the notice.

The notice given under subdivision (2) must also inform the property owner, other than an owner of property located in a consolidated city, that the property owner may qualify for an exemption as set forth in subsection (f).

(f) Subject to subsection (h), a property owner is exempt from the requirement to connect to a not-for-profit public sewer utility's sewer system and to discontinue use of a sewage disposal system if the following conditions are met:

(1) The property owner's sewage disposal system is a septic tank soil absorption system that was new at the time of installation and approved in writing by the local health department.

(2) The property owner, at the property owner's **own** expense, obtains ~~and provides to the not-for-profit public sewer utility a certification~~ **a written determination** from the local health department or the department's designee that the ~~sewage disposal~~ **septic tank soil absorption** system is ~~functioning satisfactorily.~~ **not failing. The local health department or the department's designee shall provide the owner with a written determination not later than sixty (60) days after receipt of the owner's request. If the local health department or the department's designee fails to provide a written determination within the time established in this subdivision, the owner, at the owner's expense, may obtain a written determination from a qualified**

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inspector. If the local health department or the department's designee ~~denies the issuance of a certificate to the property owner,~~ **determines that a septic tank soil absorption system is failing,** the property owner may appeal the ~~denial~~ **determination** to the board of the local health department. The decision of the board is final and binding.

(3) The property owner provides the not-for-profit public sewer utility with:

(A) the written notification of potential qualification for the exemption described in subsection (i); and

(B) the ~~certification~~ **written determination** described in subdivision (2);

within the time limits set forth in subsection (i).

(g) If a property owner, within the time allowed under subsection (i), notifies a not-for-profit public sewer utility in writing that the property owner qualifies for the exemption under this section, the not-for-profit public sewer utility shall, until the property owner's eligibility for an exemption under this section is determined, suspend the requirement that the property owner discontinue use of a sewage disposal system and connect to the not-for-profit public sewer utility's sewer system.

(h) A property owner who qualifies for the exemption provided under this section may not be required to connect to the not-for-profit public sewer utility's sewer system for a period of ten (10) years beginning on the date the new sewage disposal system was installed. A property owner may apply for two (2) five (5) year extensions of the exemption provided under this section by following the procedures set forth in subsections (f) and (g). If ownership of an exempt property is transferred during a valid exemption period, including during an extension of an initial exemption:

(1) the exemption applies to the subsequent owner of the property for the remainder of the exemption period during which the transfer occurred; and

(2) the subsequent owner may apply for any remaining extensions.

However, the total period during which a property may be exempt from the requirement to connect to a district's sewer system under this section may not exceed twenty (20) years, regardless of ownership of the property.

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

(1) within sixty (60) days after the date of the written notice given

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to the property owner under subsection (e), notify the not-for-profit public sewer utility in writing that the property owner qualifies for the exemption under this section; and

(2) within ~~sixty (60)~~ **one hundred twenty (120)** days after the not-for-profit public sewer utility receives the written notice provided under subdivision (1), provide the not-for-profit public sewer utility with the certification required under subsection (f)(2).

(j) When a property owner who qualifies for an exemption under this section subsequently discontinues use of the property owner's sewage disposal system and connects to the not-for-profit public sewer utility's sewer system, the property owner may be required to pay only the following to connect to the sewer system:

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

(2) Any additional costs:

(A) considered necessary by; and

(B) supported by documentary evidence provided by;

the not-for-profit public sewer utility.

(k) A not-for-profit public sewer utility may not require a property owner to connect to the not-for-profit public sewer utility's sewer system if:

(1) the property is located on at least ten (10) acres;

(2) the owner can demonstrate the availability of at least two (2) areas on the property for the collection and treatment of sewage that will protect human health and the environment;

(3) the waste stream from the property is limited to domestic sewage from a residence or business;

(4) the system used to collect and treat the domestic sewage has a maximum design flow of seven hundred fifty (750) gallons per day; and

(5) the owner, at the owner's expense, obtains and provides to the district a certification from the local health department or the department's designee that the system is functioning satisfactorily.

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

(m) This section does not affect the authority of the state department

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of health, a local health department, or a county health officer with respect to a sewage disposal system.

(n) For purposes of this section, a sewage disposal system is "failing" if one (1) or more of the following apply:

(1) The system refuses to accept sewage at the rate of design application and interferes with the normal use of plumbing fixtures.

(2) Effluent discharge exceeds the absorptive capacity of the soil into which the system discharges, resulting in ponding, seepage, or other discharge of the effluent to the ground surface or to surface waters.

(3) Effluent discharged from the system contaminates a potable water supply, ground water, or surface waters.

(o) As used in this section, "qualified inspector" means any of the following:

(1) An employee of a local health department who is designated by the local health department as having sufficient knowledge of onsite sewage systems to determine if an onsite sewage system is failing.

(2) An individual who is certified by the Indiana Onsite Wastewater Professionals Association as an onsite sewage system installer or inspector.

(3) An individual listed by the state department of health or a local health department as having sufficient knowledge of onsite sewage systems to determine if an onsite sewage system is failing.

SECTION 2. IC 13-11-2-199.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 199.5. "Septic tank soil absorption system", for purposes of **this chapter,** IC 13-18-12, and IC 13-26-5-2.5, means pipes laid in a system of trenches or elevated beds, into which the effluent from the septic tank is discharged for soil absorption, or similar structures.

SECTION 3. IC 13-11-2-201, AS AMENDED BY P.L.159-2011, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 201. "Sewage disposal system", for purposes of this chapter, IC 13-18-12, and IC 13-20-17.5, means septic tanks, **septic tank soil absorption systems,** septage holding tanks, ~~seepage pits, cesspools,~~ privies, composting toilets, ~~interceptors or grease traps,~~ portable sanitary units, and other equipment, facilities, or devices used to:

(1) store;

(2) treat; **or**

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(3) make inoffensive; ~~or~~

~~(4) dispose of;~~

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

Delete pages 2 through 5.

Page 6, delete lines 1 through 35.

Page 7, delete lines 34 through 42, begin a new paragraph and insert:

"SECTION 5. IC 13-26-2-2.5, AS ADDED BY P.L.97-2012, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2.5. (a) Before a representative may file a petition to establish a district, the representative must provide notice to all owners of property to be served by the proposed district that is the subject of the petition.

(b) Notice under subsection (a) must be provided as follows:

(1) Beginning at least thirty (30) days before the date on which a public meeting under subsection (c) is scheduled, by publication of notice one (1) time each week for three (3) consecutive weeks in at least two (2) newspapers of general circulation in each of the counties, in whole or in part, in the proposed district. If there is only one (1) newspaper of general circulation in a county, a single publication each week for three (3) consecutive weeks satisfies the requirement of this subdivision.

(2) ~~Either:~~ **Beginning at least fourteen (14) days before the date on which a public meeting under subsection (c) is scheduled, by:**

(A) ~~by~~ **first class** United States mail, postage prepaid, mailed to each freeholder within the proposed district; ~~or~~ **and**

(B) ~~by~~ broadcasting at least three (3) public service announcements each day for fourteen (14) days on at least two (2) radio stations operating in each of the counties, in whole or in part, in the proposed district.

~~beginning at least fourteen (14) days before the date on which a public meeting under subsection (c) is scheduled.~~

(c) After providing notice under subsection (b), a representative that seeks to file a petition to establish a district must conduct a public meeting to discuss and receive comments on the proposed district.

(d) A representative may not file a petition to establish a district:

(1) more than one hundred eighty (180) or less than sixty (60) days after providing notice under subsection (b); or

(2) less than thirty (30) days after a meeting held under subsection (c).

SECTION 6. IC 13-26-2-3.5 IS ADDED TO THE INDIANA CODE

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AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 3.5. Not more than one hundred eighty (180) days after the date a petition is filed with the department under section 1 of this chapter to establish a regional district, if another petition is filed with the department that is signed by a majority of the owners of property that would be served by the proposed district and indicating that the owners of the property are opposed to the establishment of the proposed district, the department shall declare that the petition filed under section 1 of this chapter to establish the regional district:**

(1) is void; and

(2) is not a sufficient petition for purposes of section 5 of this chapter.

SECTION 7. IC 13-26-4-6, AS AMENDED BY P.L.97-2012, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 6. (a) This section does not apply to a district described in section 6.1 of this chapter.

(b) An appointed trustee does not have to be a resident of the district.

(c) An appointed trustee must:

(1) own real property within the district;

(2) be a trustee appointed under section 4 or 5 of this chapter; ~~or~~

(3) be an elected official who represents a political subdivision that has territory in the district; **or**

(4) be a ratepayer of the district.

SECTION 8. IC 13-26-5-2.5, AS AMENDED BY P.L.97-2012, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2.5. (a) As used in this section, "septic tank soil absorption system" has the meaning set forth in IC 13-11-2-199.5.

(b) Subject to subsection (d), a property owner is exempt from the requirement to connect to a district's sewer system and to discontinue use of a septic tank soil absorption system if the following conditions are met:

(1) The property owner's septic tank soil absorption system was new at the time of installation and was approved in writing by the local health department.

(2) The property owner, at the property owner's own expense, obtains ~~and provides to the district a certification~~ **a written determination** from the local health department or the department's designee that the septic tank soil absorption system is ~~functioning satisfactorily.~~ **not failing. The local health department or the department's designee shall provide the**

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owner with a written determination not later than sixty (60) days after receipt of the owner's request. If the local health department or the department's designee fails to provide a written determination within the time established in this subdivision, the owner, at the owner's expense, may obtain a written determination from a qualified inspector. If the local health department or the department's designee ~~denies the issuance of a certificate to the property owner~~, **determines that a septic tank soil absorption system is failing,** the property owner may appeal the ~~denial~~ **determination** to the board of the local health department. The decision of the board is final and binding.

(3) The property owner provides the district with:

(A) the written notification of potential qualification for the exemption described in subsection (f); and

(B) the certification described in subdivision (2);

within the time limits set forth in subsection (f).

(c) If a property owner, within the time allowed under subsection (f), notifies a district in writing that the property owner qualifies for the exemption under this section, the district shall, until the property owner's eligibility for an exemption under this section is determined, suspend the requirement that the property owner discontinue use of a septic tank soil absorption system and connect to the district's sewer system.

(d) A property owner who qualifies for the exemption provided under this section may not be required to connect to the district's sewer system for a period of ten (10) years beginning on the date the new septic tank soil absorption system was installed. A property owner may apply for two (2) five (5) year extensions of the exemption provided under this section by following the procedures set forth in subsections (b) and (c). If ownership of an exempt property is transferred during a valid exemption period, including during an extension of an initial exemption:

(1) the exemption applies to the subsequent owner of the property for the remainder of the exemption period during which the transfer occurred; and

(2) the subsequent owner may apply for any remaining extensions.

However, the total period during which a property may be exempt from the requirement to connect to a district's sewer system under this section may not exceed twenty (20) years, regardless of ownership of the property.

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

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

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

(3) of the procedures to claim an exemption.

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

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

(2) within ~~sixty (60)~~ **one hundred twenty (120)** days after the district receives the written notice provided under subdivision (1), provide the district with the certification required under subsection (b)(2).

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

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

(2) Any additional costs:

(A) considered necessary by; and

(B) supported by documentary evidence provided by;

the district.

(h) A property owner who connects to a district's sewer system may provide, at the owner's expense, labor, equipment, materials, or any combination of labor, equipment, and materials from any source to accomplish the connection to the sewer system, subject to inspection and approval by the board or a designee of the board.

(i) This section does not affect the authority of the state department of health, a local health department, or a county health officer with respect to a septic tank soil absorption system.

(j) For purposes of this section, a septic tank soil absorption system is "failing" if one (1) or more of the following apply:

(1) The system refuses to accept sewage at the rate of design

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application and interferes with the normal use of plumbing fixtures.

(2) Effluent discharge exceeds the absorptive capacity of the soil into which the system discharges, resulting in ponding, seepage, or other discharge of the effluent to the ground surface or to surface waters.

(3) Effluent discharged from the system contaminates a potable water supply, ground water, or surface waters.

(k) As used in this section, "qualified inspector" means any of the following:

(1) An employee of a local health department who is designated by the local health department as having sufficient knowledge of onsite sewage systems to determine if an onsite sewage system is failing.

(2) An individual who is certified by the Indiana Onsite Wastewater Professionals Association as an onsite sewage system installer or inspector.

(3) An individual listed by the state department of health or a local health department as having sufficient knowledge of onsite sewage systems to determine if an onsite sewage system is failing.

SECTION 9. IC 13-26-8-4, AS ADDED BY P.L.123-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 4. (a) This section applies to the addition of territory to a regional sewage or solid waste district other than at the request of an eligible entity described in section 1 of this chapter. This section does not apply to a regional water district.

(b) To add territory to a district already established, the board must file ~~both of the following~~ with the department

~~(1)~~ a motion adopted by the board requesting the addition of territory to the district.

~~(2) A petition that:~~

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

~~(B) requests the addition of the area to the district.~~

(c) Except as provided under ~~subsection~~ **subsections** (d) **and (e),** if ~~both petitions are~~ **a motion is** filed with the department under subsection (b):

(1) the same procedure must be used to add territory to the district as is provided for the establishment of a district under IC 13-26-2; and

(2) the department shall proceed in the same manner that is set

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forth in IC 13-26-2, IC 13-26-4, IC 13-26-6, and IC 13-26-7.

(d) Not more than one hundred eighty (180) days after the date a motion is filed with the department under subsection (b) to add territory to a district already established, if a petition is filed with the department that is signed by a majority of the freeholders within the area proposed to be added and indicating that the freeholders are opposed to the addition of the area by the district:

(1) the department may not proceed under subsection (c); and

(2) the territory may not be added to the district.

~~(d)~~ **(e)** For purposes of subsection (c):

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

(2) the board shall:

(A) provide the notice of; and

(B) conduct;

the hearing required under IC 13-26-2-6; and

(3) instead of making findings and recommendations under IC 13-26-2-8, the board shall submit documentary evidence to the commissioner to prove the:

(A) notice was provided; and

(B) hearing was conducted;

by the board as required under subdivision (2).".

Delete pages 8 through 21.

Page 22, delete lines 1 through 4.

Page 23, line 30, delete "that" and insert "**concerning a septic tank soil absorption system under**".

Page 23, line 31, delete "violate".

Page 23, line 31, delete ", IC 13-26-5-2.7, or IC 36-9-23-30.1;" and insert "**or IC 13-26-5-2.5;**".

Page 26, delete lines 15 through 42.

Delete pages 27 through 30.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1497 as introduced.)

WOLKINS, Chair

Committee Vote: yeas 10, nays 2.

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COMMITTEE REPORT

Madam President: The Senate Committee on Environmental Affairs, to which was referred House Bill No. 1497, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 3, line 7, delete "own".

Page 4, line 25, strike "certification" and insert "**written determination**".

Page 5, line 42, delete "a" and insert "**the**".

Page 5, line 42, after "department" insert "**with jurisdiction over the service area of the property inspected**".

Page 6, line 13, reset in roman "seepage".

Page 6, line 14, reset in roman "pits, cesspools,".

Page 6, line 14, reset in roman "interceptors or grease traps,".

Page 6, line 18, delete "or".

Page 6, line 19, reset in roman "or".

Page 6, line 20, reset in roman "(4) dispose of;".

Page 6, delete lines 22 through 42.

Page 7, delete lines 1 through 19.

Page 9, line 28, strike "certification" and insert "**written determination**".

Page 10, line 30, strike "certification" and insert "**written determination**".

Page 11, line 31, after "department" insert "**with jurisdiction over the service area of the property inspected**".

Page 11, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 10. IC 13-26-5-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 6.5. A district that intends to extend service within its territory shall provide notice to all owners of property to be served by the proposed extension of service in the following manner not later than sixty (60) days from the date of the decision to extend service:**

(1) By publication of notice one (1) time each week for three (3) consecutive weeks in at least two (2) newspapers of general circulation in each of the counties, in whole or in part, of the district affected by the proposed extension of service. If there is only one (1) newspaper of general circulation in a county, a single publication each week for three (3) consecutive weeks satisfies the requirement of this subdivision.

(2) By United States mail, postage prepaid, mailed to each

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freeholder within the territory to which the district proposes to extend service.".

Page 14, line 20, delete "IC 13-26-5-2.5;" and insert "**IC 13-26-5-2.5 knowing the report or information to be false;**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 1497 printed February 15, 2013.)

CHARBONNEAU, Chairperson

Committee Vote: Yeas 5, Nays 1.

Copy