
HOUSE BILL No. 1497

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-1-2-125; IC 13-11-2; IC 13-15; IC 13-26; IC 16-20-1-25; IC 35-44.1-2-3; IC 35-51-16-1; IC 36-9-23.

Synopsis: Sewer connections. Includes a utility held in trust by a consolidated city in the definition of "not-for-profit" utility for purposes of exemptions from mandatory sewer connection. Amends requirements for a not-for-profit sewer utility, a regional sewage district, and a municipally owned sewer utility to require a property owner to discontinue use of a sewage disposal system and connect to a sewer system. Permits a property owner who connects to a sewer system to provide labor and materials to accomplish the connection. 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.) Requires that a majority of the trustees of the board of trustees (board) of a regional sewer district (district) must be elected. Provides for the transition from an appointed to an elected board. Requires that a petition to establish a district must be signed by a majority of the owners of property to be served by the district. Provides that a board may not bill at a flat rate or impose a minimum charge on a campground or youth camp. Repeals authority for a district to foreclose liens. Provides that a district may collect unpaid rates and charges through a civil action. Provides that a sewer system is considered to benefit only property actually connected to the sewer system. Provides that a person who provides false information to a health officer commits a Class C misdemeanor. (Under current law, the offense is a Class C infraction.) Provides that a person who gives a false report related to sewage disposal systems and sewer connections commits false informing, a Class B misdemeanor. Provides that, after June 30, 2013, a municipality may not require property outside its corporate boundaries to connect to its sewer system.

Effective: July 1, 2013.

Zent, Ober, Smaltz, Lehman

January 22, 2013, read first time and referred to Committee on Environmental Affairs.



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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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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:

1 SECTION 1. IC 8-1-2-125, AS AMENDED BY P.L.97-2012,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2013]: Sec. 125. (a) As used in this section, "not-for-profit
4 utility" means a public water or sewer utility that:
5 (1) does not have shareholders;
6 (2) does not engage in any activities for the profit of its trustees,
7 directors, incorporators, or members; and
8 (3) is organized and conducts its affairs for purposes other than
9 the pecuniary gain of its trustees, directors, incorporators, or
10 members.
11 The term does not include a regional district established under
12 IC 13-26 ~~or~~ a conservancy district established under IC 14-33. ~~or, for~~
13 ~~purposes of subsections (f), (g), (h), (i), (j), and (k); a utility company~~
14 ~~owned, operated, or held in trust by a consolidated city.~~
15 (b) As used in this section, "sewage disposal system" means a privy,
16 cesspool, septic tank, or other similar structure. The term includes a
17 septic tank soil absorption system (as defined in IC 13-11-2-199.5).



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

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

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

- 13 (1) Maintenance and repair costs.
- 14 (2) Operating charges.
- 15 (3) Interest charges on bonds or other obligations.
- 16 (4) Provision for a sinking fund for the liquidation of bonds or
17 other evidences of indebtedness.
- 18 (5) Provision for a debt service reserve for bonds or other
19 obligations in an amount not to exceed the maximum annual debt
20 service on the bonds or obligations.
- 21 (6) Provision of adequate funds to be used as working capital.
- 22 (7) Provision for making extensions and replacements.
- 23 (8) The payment of any taxes that may be assessed against the
24 not-for-profit utility or its property.

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

29 (e) Except as provided in ~~subsections~~ **subsection (f), and (h)**; a
30 not-for-profit public sewer utility may require connection to its sewer
31 system of property **within its service territory** producing sewage or
32 similar waste and require the discontinuance of use of a sewage
33 disposal system if:

- 34 (1) there is an available sanitary sewer within three hundred (300)
35 feet of the property line; ~~and~~
- 36 (2) the utility has given written notice by certified mail to the
37 property owner at the address of the property at least ninety (90)
38 days before the date for connection stated in the notice; ~~and~~
- 39 **(3) the sewage disposal system is failing.**

40 The notice given under subdivision (2) must also inform the property
41 owner ~~other than an owner of property located in a consolidated city~~;
42 that the property owner may qualify for an exemption as set forth in

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1 subsection (f).

2 (f) ~~Subject to subsection (h)~~; A property owner **that receives notice**
3 **under subsection (e)** is exempt from the requirement to connect to a
4 not-for-profit public sewer utility's sewer system and to discontinue use
5 of a sewage disposal system if the following conditions are met:

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

9 **(1) The owner can demonstrate that the sewage disposal**
10 **system is not failing and will protect human health and the**
11 **environment.**

12 **(2) The waste stream from the property is limited to domestic**
13 **sewage from a residence or business.**

14 (2) (3) The property owner, at the property owner's expense,
15 obtains and provides to the not-for-profit public sewer utility a
16 certification from the local health department or the department's
17 designee **a qualified inspector** that the sewage disposal system
18 is functioning satisfactorily. If the local health department or the
19 department's designee denies the issuance of a certificate to the
20 property owner, the property owner may appeal the denial to the
21 board of the local health department. The decision of the board is
22 final and binding.

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

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

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

28 within the time limits set forth in subsection (i): **not failing.**

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

37 (h) A property owner who qualifies for the exemption provided
38 under this section may not be required to connect to the not-for-profit
39 public sewer utility's sewer system for a period of ten (10) years
40 beginning on the date the new sewage disposal system was installed.
41 A property owner may apply for two (2) five (5) year extensions of the
42 exemption provided under this section by following the procedures set

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1 forth in subsections (f) and (g). If ownership of an exempt property is
 2 transferred during a valid exemption period, including during an
 3 extension of an initial exemption:

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

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

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

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

15 (1) within sixty (60) **ninety (90)** days after the date of the written
 16 notice given to the property owner under subsection (e), notify the
 17 not-for-profit public sewer utility in writing that the property
 18 owner qualifies for the exemption under this section; and

19 (2) within sixty (60) **ninety (90)** days after the not-for-profit
 20 public sewer utility receives the written notice provided under
 21 subdivision (1), provide the not-for-profit public sewer utility with
 22 the certification required under subsection ~~(f)(2)~~: **(f)(3)**.

23 **(i) If a qualified inspector determines under subsection (f)(3)**
 24 **that a property owner's sewage disposal system is failing, the**
 25 **property owner may, within two hundred seventy (270) days after**
 26 **the determination, repair or replace the sewage disposal system**
 27 **and obtain the certification under subsection (f)(3). If the property**
 28 **owner does not repair or replace the sewage disposal system, the**
 29 **property owner must connect to the not-for-profit public sewer**
 30 **utility's sewer system.**

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

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

39 (2) Any additional costs:

40 (A) considered necessary by; and

41 (B) supported by documentary evidence provided by;

42 the not-for-profit public sewer utility.



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

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

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

22 (†) (l) This section does not affect the authority of the state
 23 department of health, a local health department, or a county health
 24 officer with respect to a **failing** sewage disposal system.

25 (m) **A not-for-profit public sewer utility shall allow a property**
 26 **owner who:**

- 27 (1) **is connected to the not-for-profit public sewer utility's**
 28 **sewer system;**
 29 (2) **installs a new or uses an existing sewage disposal system;**
 30 **and**
 31 (3) **obtains and provides to the not-for-profit public sewer**
 32 **utility a certification described in subsection (f)(3) for the**
 33 **sewage disposal system;**

34 **to disconnect from the not-for-profit public sewer utility's sewer**
 35 **system within ninety (90) days after the not-for-profit public sewer**
 36 **utility receives the certification under subdivision (3). The**
 37 **not-for-profit public sewer utility may not bill the property owner**
 38 **for any sewer services after the date of disconnection.**

39 (n) **As used in this section, "qualified inspector" means the**
 40 **following:**

- 41 (1) **A local health officer.**
 42 (2) **A certified sewage disposal system installer.**

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- 1 **(3) An individual certified by the state or a local health**
- 2 **department to evaluate sewage disposal systems.**
- 3 **(4) Any other person who can demonstrate sufficient**
- 4 **knowledge of sewage disposal systems to determine if a**
- 5 **sewage disposal system is failing.**

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

- 8 **(1) The system refuses to accept sewage at the rate of design**
- 9 **application and interferes with the normal use of plumbing**
- 10 **fixtures.**
- 11 **(2) Effluent discharge exceeds the absorptive capacity of the**
- 12 **soil into which the system discharges, resulting in ponding,**
- 13 **seepage, or other discharge of the effluent to the ground**
- 14 **surface or to surface waters.**
- 15 **(3) Effluent discharged from the system contaminates a**
- 16 **potable water supply, ground water, or surface waters.**

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

23 SECTION 3. IC 13-11-2-201, AS AMENDED BY P.L.159-2011,
 24 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2013]: Sec. 201. "Sewage disposal system", for purposes of
 26 this chapter, IC 13-18-12, ~~and~~ IC 13-20-17.5, **and IC 13-26-5-2.7,**
 27 means septic tanks, **septic tank soil absorption systems,** septage
 28 holding tanks, seepage pits, cesspools, privies, composting toilets,
 29 interceptors or grease traps, portable sanitary units, and other
 30 equipment, facilities, or devices used to:

- 31 (1) store;
 - 32 (2) treat;
 - 33 (3) make inoffensive; or
 - 34 (4) dispose of;
- 35 human excrement or liquid carrying wastes of a domestic nature.

36 SECTION 4. IC 13-15-3-5, AS AMENDED BY P.L.133-2012,
 37 SECTION 100, IS AMENDED TO READ AS FOLLOWS
 38 [EFFECTIVE JULY 1, 2013]: Sec. 5. (a) Whenever a permit is
 39 required by any rule of the board under IC 13-15-1 for the construction,
 40 installation, operation, or modification of any facility, equipment, or
 41 device, the permit may be issued only after the department staff has:

- 42 (1) approved the plans and specifications; and

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- 1 (2) determined that the facility, equipment, or device meets the
 2 requirement of the rule.
- 3 (b) Notwithstanding subsection (a) and subject to subsection (c), a
 4 person to whom a permit has been issued may not start the
 5 construction, installation, operation, or modification of a facility,
 6 equipment, or a device until the person has obtained any approval
 7 required by any:
- 8 (1) county;
 9 (2) city; or
 10 (3) town;
 11 in which the facility, equipment, or device is located.
- 12 (c) Subsection (b) applies only to an approval required in an
 13 applicable ordinance, rule, or regulation in effect at the time the person
 14 submits the permit application to the issuing state agency.
- 15 **(d) In addition to any requirements for a permit imposed under**
 16 **IC 13-15, including under rules adopted under IC 13-15, a district**
 17 **must provide notice in the manner provided under IC 13-15-8**
 18 **before applying for a permit to undertake a construction project**
 19 **within the district.**
- 20 SECTION 5. IC 13-15-8-1 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 1. ~~(a)~~ This chapter
 22 applies to an application for a permit issued under IC 13-15-1 upon
 23 property:
- 24 (1) that is undeveloped; or
 25 (2) for which a valid existing permit has not been issued.
- 26 ~~(b) This chapter does not apply to an application for a permit issued~~
 27 ~~under IC 13-15-1 if the permit is for the construction, installation, or~~
 28 ~~modification of any of the following:~~
- 29 ~~(1) A combined sewer.~~
 30 ~~(2) A sanitary sewer.~~
 31 ~~(3) A storm sewer.~~
 32 ~~(4) A public water system.~~
 33 ~~(5) A water main extension.~~
- 34 SECTION 6. IC 13-26-2-3, AS AMENDED BY P.L.97-2012,
 35 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2013]: Sec. 3. **(a)** A petition to establish a district under this
 37 chapter must state the following:
- 38 (1) The proposed name of the district.
 39 (2) The place in which the district's principal office is to be
 40 located.
 41 (3) The following information:
 42 (A) The need for the proposed district.

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- 1 (B) The purpose to be accomplished.
 2 (C) How the district will be conducive to the public health,
 3 safety, convenience, or welfare, including a specific statement
 4 of how:
 5 (i) water supply, for a water district;
 6 (ii) sewage collection, disposal, and treatment, for a sewage
 7 district; or
 8 (iii) solid waste disposal, recovery, or treatment, for a solid
 9 waste district;
 10 is currently being provided.
 11 (D) Whether there is any outstanding indebtedness for the
 12 purpose proposed in the proposed district, including a
 13 statement as to how the current situation creates or adds to
 14 pollution or health hazards or impedes development in the
 15 area.
 16 (4) An accurate description of the territory to be included in the
 17 district, which does not have to be given by metes and bounds or
 18 by legal subdivisions. The territory does not have to be
 19 contiguous, but the territory must be so situated that the public
 20 health, safety, convenience, or welfare will be promoted by the
 21 establishment as a single district of the territory described.
 22 (5) The petitioner's recommendations on:
 23 (A) the manner of selection;
 24 (B) the number; and
 25 (C) the term, not exceeding four (4) years;
 26 of the members of the board of trustees.
 27 (6) The plan for financing the cost of the operations of the district
 28 until the district is in receipt of revenue from the district's
 29 operations or proceeds from the sale of bonds.
 30 (7) Estimates of the following:
 31 (A) The costs of accomplishing the purpose of the district.
 32 (B) The costs of operating and maintaining the works.
 33 (C) The sources of the funding of these costs.
 34 (D) The rates and charges that will be required.
 35 (E) The median income for households in the proposed district
 36 based on the most recent federal decennial census.
 37 (8) A summary of alternatives to creating the district.
 38 **(b) A petition under subsection (a) must be signed by a majority**
 39 **of the owners of property to be served by the district.**
 40 SECTION 7. IC 13-26-2-10 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 10. (a) If the
 42 commissioner determines that the findings show that the establishment

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1 of a recommended district:

2 (1) complies with the conditions of this chapter for establishment
3 of a district; and

4 (2) appears capable of accomplishing the purpose or purposes in
5 an economically feasible manner;

6 the commissioner shall issue an order directing that the district be
7 established as an independent municipal corporation with a name and
8 for the purposes designated in the order.

9 (b) An order must do the following:

10 (1) Provide for the selection or appointment and terms of offices,
11 not to exceed four (4) years, of the board. **However, an order**
12 **issued after June 30, 2013, must provide that the board must**
13 **be elected.**

14 (2) Provide requirements for sufficient bond for all officers,
15 trustees, or employees having power to dispense money of the
16 district.

17 (3) If an eligible entity with territory in the district has a public
18 water or solid waste sewer system, contain provisions protecting
19 the investments of the entities and protecting the rights of the
20 holders of bonds or other obligations issued to provide money for
21 the system.

22 (4) Direct the district to file a detailed plan for the initial project
23 of the district not later than nine (9) months after the date of the
24 preliminary order or within a further time that the department
25 from time to time orders.

26 **(c) An order issued before July 1, 2013, is subject to amendment**
27 **under IC 13-26-4-9.**

28 SECTION 8. IC 13-26-4-2 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2. (a) An order **issued**
30 **before July 1, 2013**, establishing a district may provide for the board
31 to be elected by the voters in the district from districts or wards or from
32 the district at large.

33 **(b) An order issued after June 30, 2013, establishing a district**
34 **must provide for the members of the board to be elected by the**
35 **voters in the district from districts or wards or from the district at**
36 **large.**

37 (c) Elections and provisions for filling vacancies must be in
38 accordance with IC 3, with the commissioner or the commissioner's
39 designees performing the functions of the election officials.

40 SECTION 9. IC 13-26-4-3 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 3. ~~Instead of electing~~
42 ~~the board~~; An order establishing a district may provide for

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1 appointments to the board by the elected executive or legislative
2 officers of the eligible entities having territory in the district. **However,**
3 **an order issued after June 30, 2013, must provide that the trustees**
4 **must be elected.**

5 SECTION 10. IC 13-26-4-5 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 5. If a plan also
7 contemplates that sewage treatment for the district will be provided in
8 cooperation with a municipality, the order ~~must~~ **may** provide that:

9 (1) at least one (1) trustee shall be appointed by the executive of
10 the municipality; and

11 (2) at least:

12 (A) one (1) trustee shall be appointed by the fiscal body; and

13 (B) one (1) trustee shall be appointed by the executive;
14 of the county having the largest amount of territory in the district.

15 **However, an order issued after June 30, 2013, must provide that**
16 **the trustees must be elected.**

17 SECTION 11. IC 13-26-4-9 IS ADDED TO THE INDIANA CODE
18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
19 1, 2013]: **Sec. 9. (a) This section applies to an order that:**

20 **(1) is issued before July 1, 2013; and**

21 **(2) provides for appointment of at least one (1) trustee.**

22 **(b) Not later than January 1, 2014, an order must be amended**
23 **to provide for:**

24 **(1) the election of trustees in the manner that conservancy**
25 **district board members are elected under IC 14-33-5.4; and**

26 **(2) the transition from appointed to elected trustees, if**
27 **applicable.**

28 SECTION 12. IC 13-26-5-2, AS AMENDED BY P.L.97-2012,
29 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2013]: Sec. 2. A district may do the following:

31 (1) Sue or be sued.

32 (2) Make contracts in the exercise of the rights, powers, and
33 duties conferred upon the district.

34 (3) Adopt and alter a seal and use the seal by causing the seal to
35 be impressed, affixed, reproduced, or otherwise used. However,
36 the failure to affix a seal does not affect the validity of an
37 instrument.

38 (4) Adopt, amend, and repeal the following:

39 (A) Bylaws for the administration of the district's affairs.

40 (B) Rules and regulations for the following:

41 (i) The control of the administration and operation of the
42 district's service and facilities.

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- 1 (ii) The exercise of all of the district's rights of ownership.
- 2 (5) Construct, acquire, lease, operate, or manage works and obtain
- 3 rights, easements, licenses, money, contracts, accounts, liens,
- 4 books, records, maps, or other property, whether real, personal, or
- 5 mixed, of a person or an eligible entity.
- 6 (6) Assume in whole or in part any liability or obligation of:
- 7 (A) a person;
- 8 (B) a nonprofit water, sewage, or solid waste project system;
- 9 or
- 10 (C) an eligible entity;
- 11 including a pledge of part or all of the net revenues of a works to
- 12 the debt service on outstanding bonds of an entity in whole or in
- 13 part in the district and including a right on the part of the district
- 14 to indemnify and protect a contracting party from loss or liability
- 15 by reason of the failure of the district to perform an agreement
- 16 assumed by the district or to act or discharge an obligation.
- 17 (7) Fix, alter, charge, and collect reasonable rates and other
- 18 charges in the area served by the district's facilities to every
- 19 person whose premises are, whether directly or indirectly,
- 20 supplied with water or provided with sewage or solid waste
- 21 services by the facilities for the purpose of providing for the
- 22 following:
- 23 (A) The payment of the expenses of the district.
- 24 (B) The construction, acquisition, improvement, extension,
- 25 repair, maintenance, and operation of the district's facilities
- 26 and properties.
- 27 (C) The payment of principal or interest on the district's
- 28 obligations.
- 29 (D) To fulfill the terms of agreements made with:
- 30 (i) the purchasers or holders of any obligations; or
- 31 (ii) a person or an eligible entity.
- 32 (8) Except as provided in ~~sections 2.5 and 2.6~~ **section 2.7** of this
- 33 chapter, require connection to the district's sewer system of
- 34 property producing sewage or similar waste, and require the
- 35 discontinuance of use of privies, cesspools, septic tanks, and
- 36 similar structures if:
- 37 (A) there is an available sanitary sewer within three hundred
- 38 (300) feet of the property line;
- 39 (B) the district has given written notice by certified mail to the
- 40 property owner at the address of the property at least ninety
- 41 (90) days before a date for connection to be stated in the
- 42 notice; and

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- (C) if the property is located outside the district's territory:
 - (i) the district has obtained and provided to the property owner (along with the notice required by clause (B)) a letter of recommendation from the local health department that there is a possible threat to the public's health; and
 - (ii) if the property is also located within the extraterritorial jurisdiction of a municipal sewage works under IC 36-9-23 or a public sanitation department under IC 36-9-25, the municipal works board or department of public sanitation has acknowledged in writing that the property is within the municipal sewage works or department of public sanitation's extraterritorial jurisdiction, but the municipal works board or department of public sanitation is unable to provide sewer service.

However, a district may not require the owner of a property described in this subdivision to connect to the district's sewer system if the property is already connected to a sewer system that has received an NPDES permit and has been determined to be functioning satisfactorily.

(9) Provide by ordinance for a reasonable penalty, not to exceed one hundred dollars (\$100) per day, for failure to connect and also apply to the circuit or superior court of the county in which the property is located for an order to force connection, with the cost of the action, including reasonable attorney's fees of the district, to be assessed by the court against the property owner in the action.

(10) Refuse the services of the district's facilities if the rates or other charges are not paid by the user.

(11) Control and supervise all property, works, easements, licenses, money, contracts, accounts, liens, books, records, maps, or other property rights and interests conveyed, delivered, transferred, or assigned to the district.

(12) Construct, acquire by purchase or otherwise, operate, lease, preserve, and maintain works considered necessary to accomplish the purposes of the district's establishment within or outside the district and enter into contracts for the operation of works owned, leased, or held by another entity, whether public or private.

(13) Hold, encumber, control, acquire by donation, purchase, or condemnation, construct, own, lease as lessee or lessor, use, and sell interests in real and personal property or franchises within or outside the district for:

- (A) the location or protection of works;

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- 1 (B) the relocation of buildings, structures, and improvements
- 2 situated on land required by the district or for any other
- 3 necessary purpose; or
- 4 (C) obtaining or storing material to be used in constructing and
- 5 maintaining the works.
- 6 (14) Upon consent of two-thirds (2/3) of the members of the
- 7 board, merge or combine with another district into a single district
- 8 on terms so that the surviving district:
- 9 (A) is possessed of all rights, franchises, and authority of the
- 10 constituent districts; and
- 11 (B) is subject to all the liabilities, obligations, and duties of
- 12 each of the constituent districts, with all rights of creditors of
- 13 the constituent districts being preserved unimpaired.
- 14 (15) Provide by agreement with another eligible entity for the
- 15 joint construction of works the district is authorized to construct
- 16 if the construction is for the district's own benefit and that of the
- 17 other entity. For this purpose the cooperating entities may jointly
- 18 appropriate land either within or outside their respective borders
- 19 if all subsequent proceedings, actions, powers, liabilities, rights,
- 20 and duties are those set forth by statute.
- 21 (16) Enter into contracts with a person, an eligible entity, the
- 22 state, or the United States to provide services to the contracting
- 23 party for any of the following:
- 24 (A) The distribution or purification of water.
- 25 (B) The collection or treatment of sanitary sewage.
- 26 (C) The collection, disposal, or recovery of solid waste.
- 27 (17) Make provision for, contract for, or sell the district's
- 28 byproducts or waste.
- 29 (18) Exercise the power of eminent domain, including for
- 30 purposes of siting sewer or water utility infrastructure, but only
- 31 after the district attempts to use existing public rights-of-way or
- 32 easements.
- 33 (19) Remove or change the location of a fence, building, railroad,
- 34 canal, or other structure or improvement located within or outside
- 35 the district. If:
- 36 (A) it is not feasible or economical to move the building,
- 37 structure, or improvement situated in or upon land acquired;
- 38 and
- 39 (B) the cost is determined by the board to be less than that of
- 40 purchase or condemnation;
- 41 the district may acquire land and construct, acquire, or install
- 42 buildings, structures, or improvements similar in purpose to be

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1 exchanged for the buildings, structures, or improvements under
 2 contracts entered into between the owner and the district.
 3 (20) Employ consulting engineers, superintendents, managers,
 4 and other engineering, construction, and accounting experts,
 5 attorneys, bond counsel, employees, and agents that are necessary
 6 for the accomplishment of the district's purpose and fix their
 7 compensation.
 8 (21) Procure insurance against loss to the district by reason of
 9 damages to the district's properties, works, or improvements
 10 resulting from fire, theft, accident, or other casualty or because of
 11 the liability of the district for damages to persons or property
 12 occurring in the operations of the district's works and
 13 improvements or the conduct of the district's activities.
 14 (22) Exercise the powers of the district without obtaining the
 15 consent of other eligible entities. However, the district shall:
 16 (A) restore or repair all public or private property damaged in
 17 carrying out the powers of the district and place the property
 18 in the property's original condition as nearly as practicable; or
 19 (B) pay adequate compensation for the property.
 20 (23) Dispose of, by public or private sale or lease, real or personal
 21 property determined by the board to be no longer necessary or
 22 needed for the operation or purposes of the district.
 23 SECTION 13. IC 13-26-5-2.5 IS REPEALED [EFFECTIVE JULY
 24 1, 2013]. Sec. 2.5: (a) As used in this section, "septic tank soil
 25 absorption system" has the meaning set forth in IC 13-11-2-199.5.
 26 (b) Subject to subsection (d), a property owner is exempt from the
 27 requirement to connect to a district's sewer system and to discontinue
 28 use of a septic tank soil absorption system if the following conditions
 29 are met:
 30 (1) The property owner's septic tank soil absorption system was
 31 new at the time of installation and was approved in writing by the
 32 local health department.
 33 (2) The property owner, at the property owner's own expense,
 34 obtains and provides to the district a certification from the local
 35 health department or the department's designee that the septic
 36 tank soil absorption system is functioning satisfactorily. If the
 37 local health department or the department's designee denies the
 38 issuance of a certificate to the property owner, the property owner
 39 may appeal the denial to the board of the local health department.
 40 The decision of the board is final and binding.
 41 (3) The property owner provides the district with:
 42 (A) the written notification of potential qualification for the

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- 1 exemption described in subsection (f); and
 2 (B) the certification described in subdivision (2);
 3 within the time limits set forth in subsection (f).
 4 (c) If a property owner, within the time allowed under subsection
 5 (f), notifies a district in writing that the property owner qualifies for the
 6 exemption under this section, the district shall, until the property
 7 owner's eligibility for an exemption under this section is determined,
 8 suspend the requirement that the property owner discontinue use of a
 9 septic tank soil absorption system and connect to the district's sewer
 10 system.
 11 (d) A property owner who qualifies for the exemption provided
 12 under this section may not be required to connect to the district's sewer
 13 system for a period of ten (10) years beginning on the date the new
 14 septic tank soil absorption system was installed. A property owner may
 15 apply for two (2) five (5) year extensions of the exemption provided
 16 under this section by following the procedures set forth in subsections
 17 (b) and (c). If ownership of an exempt property is transferred during a
 18 valid exemption period, including during an extension of an initial
 19 exemption:
 20 (1) the exemption applies to the subsequent owner of the property
 21 for the remainder of the exemption period during which the
 22 transfer occurred; and
 23 (2) the subsequent owner may apply for any remaining
 24 extensions.
 25 However, the total period during which a property may be exempt from
 26 the requirement to connect to a district's sewer system under this
 27 section may not exceed twenty (20) years, regardless of ownership of
 28 the property.
 29 (e) A district that has filed plans with the department to create or
 30 expand a sewage district shall, within ten (10) days after filing the
 31 plans, provide written notice to affected property owners:
 32 (1) that the property owner may be required to discontinue the use
 33 of a septic tank soil absorption system;
 34 (2) that the property owner may qualify for an exemption from the
 35 requirement to discontinue the use of the septic tank soil
 36 absorption system; and
 37 (3) of the procedures to claim an exemption.
 38 (f) To qualify for an exemption under this section, a property owner
 39 must:
 40 (1) within sixty (60) days after the date of the written notice given
 41 to the property owner under subsection (e), notify the district in
 42 writing that the property owner qualifies for the exemption under

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1 this section; and
 2 (2) within sixty (60) days after the district receives the written
 3 notice provided under subdivision (1); provide the district with
 4 the certification required under subsection (b)(2).
 5 (g) When a property owner who qualifies for an exemption under
 6 this section subsequently discontinues use of the property owner's
 7 septic tank soil absorption system and connects to the district's sewer
 8 system, the property owner may be required to pay only the following
 9 to connect to the sewer system:
 10 (1) The connection fee the property owner would have paid if the
 11 property owner connected to the sewer system on the first date the
 12 property owner could have connected to the sewer system.
 13 (2) Any additional costs:
 14 (A) considered necessary by; and
 15 (B) supported by documentary evidence provided by;
 16 the district.
 17 (h) A property owner who connects to a district's sewer system may
 18 provide, at the owner's expense, labor, equipment, materials, or any
 19 combination of labor, equipment, and materials from any source to
 20 accomplish the connection to the sewer system; subject to inspection
 21 and approval by the board or a designee of the board.
 22 (i) This section does not affect the authority of the state department
 23 of health, a local health department, or a county health officer with
 24 respect to a septic tank soil absorption system.
 25 SECTION 14. IC 13-26-5-2.6 IS REPEALED [EFFECTIVE JULY
 26 1, 2013]. Sec. 2:6. A district may not require the owner of a property
 27 described in section 2(8) of this chapter to connect to the district's
 28 sewer system if:
 29 (1) the property is located on at least ten (10) acres;
 30 (2) the owner can demonstrate the availability of at least two (2)
 31 areas on the property for the collection and treatment of sewage
 32 that will protect human health and the environment;
 33 (3) the waste stream from the property is limited to domestic
 34 sewage from a residence or business;
 35 (4) the system used to collect and treat the domestic sewage has
 36 a maximum design flow of seven hundred fifty (750) gallons per
 37 day; and
 38 (5) the owner, at the owner's expense, obtains and provides to the
 39 district a certification from the local health department or the
 40 department's designee that the system is functioning satisfactorily.
 41 SECTION 15. IC 13-26-5-2.7 IS ADDED TO THE INDIANA
 42 CODE AS A NEW SECTION TO READ AS FOLLOWS

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1 [EFFECTIVE JULY 1, 2013]: **Sec. 2.7. (a) For purposes of this**
 2 **section, a sewage disposal system is "failing" if one (1) or more of**
 3 **the following apply:**

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

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

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

13 **(b) As used in this section, "qualified inspector" means the**
 14 **following:**

15 **(1) A local health officer.**

16 **(2) A certified sewage disposal system installer.**

17 **(3) An individual certified by the state or a local health**
 18 **department to evaluate sewage disposal systems.**

19 **(4) Any other person who can demonstrate sufficient**
 20 **knowledge of sewage disposal systems to determine if a**
 21 **sewage disposal system is failing.**

22 **(c) A property owner is exempt from the requirement to connect**
 23 **to a district's sewer system and to discontinue use of a sewage**
 24 **disposal system if the following conditions are met:**

25 **(1) The owner can demonstrate the availability on the**
 26 **property of a sewage disposal system that will protect human**
 27 **health and the environment.**

28 **(2) The waste stream from the property is limited to domestic**
 29 **sewage from a residence or business.**

30 **(3) Not more than one hundred eighty (180) days after the**
 31 **property owner receives written notice from the district that**
 32 **the property owner may be required to discontinue use of the**
 33 **property owner's sewage disposal system and connect to the**
 34 **district's sewer system, the property owner, at the property**
 35 **owner's expense, obtains and provides to the district a**
 36 **certification from a qualified inspector that the sewage**
 37 **disposal system is not failing.**

38 **(d) If a qualified inspector determines under subsection (c)(3)**
 39 **that a property owner's sewage disposal system is failing, the**
 40 **property owner may, within two hundred seventy (270) days after**
 41 **the certification, repair or replace the sewage disposal system and**
 42 **obtain the certification under subsection (c)(3). If the property**

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1 owner does not repair or replace the sewage disposal system, the
2 property owner must connect to the district's sewer system.

3 (e) When a property owner who qualifies for an exemption
4 under this section subsequently discontinues use of the property
5 owner's sewage disposal system and connects to the district's sewer
6 system, the property owner may be required to pay only the
7 following to connect to the sewer system:

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

12 (2) Any additional costs:

13 (A) considered necessary by; and

14 (B) supported by documentary evidence provided by;
15 the district.

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

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

24 (h) The district shall allow a property owner who:

25 (1) is connected to a district's sewer system;

26 (2) installs a new or uses an existing sewage disposal system;
27 and

28 (3) obtains and provides to the district a certification
29 described in subsection (c)(3) for the sewage disposal system;
30 to disconnect from the district's sewer system within ninety (90)
31 days after the district receives the certification under subdivision
32 (3). The district may not bill the property owner for any sewer
33 services after the date of disconnection.

34 SECTION 16. IC 13-26-11-1 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 1. The rates and
36 charges for a waterworks may be determined based on the following:

37 (1) For a customer other than a campground or youth camp,
38 a flat charge for each connection.

39 (2) The amount of water consumed.

40 (3) The size of the meter or connection.

41 (4) Whether the property served has been or will be required to
42 pay separately for the cost of any of the facilities of the works.

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1 (5) A combination of these or other factors that the board
2 determines is necessary to establish just and equitable rates and
3 charges.

4 **However, a board may not impose a minimum fee on a customer**
5 **that is a campground or youth camp.**

6 SECTION 17. IC 13-26-11-2, AS AMENDED BY P.L.97-2012,
7 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2013]: Sec. 2. (a) Except as provided in subsection (b), the
9 rates or charges for a sewage works may be determined based on a
10 combination of the following factors:

11 (1) A flat charge for each connection. If a board uses a flat charge
12 as a factor to determine a rate or charge for a sewage works, the
13 board must:

14 (A) prepare a concise written statement that summarizes the
15 calculations and processes used to determine the amount of the
16 flat charge; and

17 (B) provide a copy of the written statement to each person
18 who:

19 (i) is required to pay the rate or charge; and

20 (ii) requests a paper copy of the summary.

21 (2) The amount of water used on the premises.

22 (3) The number and size of water outlets on the premises.

23 (4) The amount, strength, or character of sewage discharged into
24 the sewers.

25 (5) The size of sewer connections.

26 (6) Whether the property served has been or will be required to
27 pay separately for the cost of any of the facilities of the works.

28 (7) A combination of these or other factors that the board
29 determines is necessary to establish nondiscriminatory, just, and
30 equitable rates or charges.

31 (b) A campground or youth camp may be billed for sewage service
32 at a flat rate or by installing, at the campground's or youth camp's
33 expense, a meter to measure the actual amount of sewage discharged
34 by the campground or youth camp into the sewers. If a campground or
35 youth camp elects to be billed by use of a meter:

36 (1) the rate charged by a board for the metered sewage service
37 may not exceed the rate charged to residential customers for
38 equivalent usage; and

39 (2) the amount charged by a board for the campground's or youth
40 camp's monthly sewage service for the period beginning
41 September 1 and ending May 31 must be equal to the actual
42 amount that would be charged for the sewage discharged during

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1 the month by the campground or youth camp as measured by the
2 meter.

3 **However, for billing periods beginning after June 30, 2013, a**
4 **campground or youth camp must be billed by use of a meter under**
5 **this subsection.**

6 (c) If a campground or youth camp does not install a meter under
7 subsection (b) and is billed for sewage service at a flat rate, for a
8 calendar year beginning after December 31, 2004:

9 (1) each campsite at the campground may not equal more than
10 one-third (1/3) of one (1) resident equivalent unit; and

11 (2) each bed at the youth camp may not equal more than
12 one-eighth (1/8) of one (1) residential equivalent unit.

13 The basic monthly charge for the campground's or youth camp's sewage
14 service must be equal to the number of the campground's or youth
15 camp's resident equivalent units multiplied by the rate charged by the
16 board for a resident unit. **This section expires December 31, 2013.**

17 (d) The board may impose additional charges on a campground or
18 youth camp under subsections (b) and (c) if the board incurs additional
19 costs that are caused by any unique factors that apply to providing
20 sewage service for the campground or youth camp, including, but not
21 limited to:

22 (1) the installation of:
23 (A) oversized pipe; or

24 (B) any other unique equipment;
25 necessary to provide sewage service for the campground or youth
26 camp; and

27 (2) concentrations of biochemical oxygen demand (BOD) that
28 exceed federal pollutant standards.

29 **However, the board may not impose a minimum fee unrelated to**
30 **the actual service provided by the board to the campground or**
31 **youth camp.**

32 SECTION 18. IC 13-26-11-5 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 5. A district may bill
34 and collect rates and charges for the services to ~~be~~ **actually** provided
35 after the contract for construction of a sewage works has been let and
36 actual work commenced in an amount sufficient to meet the interest on
37 the revenue bonds and other expenses payable before the completion
38 of the works. **during an applicable billing cycle.**

39 SECTION 19. IC 13-26-11-6 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 6. Unless the board
41 finds and directs otherwise, the sewage works are considered to benefit
42 every:

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1 (1) lot;
 2 (2) parcel of land; or
 3 (3) building;
 4 connected ~~or to be connected~~ under the terms of an ordinance requiring
 5 connections with the sewer system of the district. ~~as a result of~~
 6 ~~construction work under the contract.~~ The rates or charges shall be
 7 billed and collected accordingly.
 8 SECTION 20. IC 13-26-14-1 IS REPEALED [EFFECTIVE JULY
 9 1, 2013]. ~~Sec. 1: A district may, as an additional or alternative remedy,~~
 10 ~~foreclose a lien established by this article as a means of collection of~~
 11 ~~rates or charges, including the penalty on the rates or charges.~~
 12 SECTION 21. IC 13-26-14-2 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2. (a) In all actions
 14 brought to ~~foreclose the liens;~~ **collect rates and charges** the district is
 15 entitled to recover the following:
 16 (1) The amount of the rates or charges.
 17 (2) The penalty on the rates or charges.
 18 ~~(3) A reasonable attorney's fee.~~
 19 ~~(b) The court shall order that the sale be made without relief from~~
 20 ~~valuation or appraisal statutes.~~
 21 **(b) The court may allow the prevailing party to recover**
 22 **reasonable attorney's fees.**
 23 SECTION 22. IC 13-26-14-3 IS REPEALED [EFFECTIVE JULY
 24 1, 2013]. ~~Sec. 3: Except as otherwise provided by this article, in all~~
 25 ~~actions to foreclose the liens:~~
 26 ~~(1) the laws concerning municipal public improvement~~
 27 ~~assessments; and~~
 28 ~~(2) the rights, remedies, procedure, and relief granted the parties~~
 29 ~~to the action;~~
 30 ~~apply.~~
 31 SECTION 23. IC 13-26-14-4, AS AMENDED BY P.L.97-2012,
 32 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2013]: Sec. 4. Rates, fees, or charges made, assessed, or
 34 established by the district are a lien, ~~in the same manner established~~
 35 ~~under IC 36-9-23 for municipal sewage works; on a lot, parcel of land,~~
 36 ~~or building that is connected with or uses the works of the district.~~
 37 ~~Liens under this chapter:~~
 38 ~~(1) attach;~~
 39 ~~(2) are recorded;~~
 40 ~~(3) are subject to the same penalties, interest, and reasonable~~
 41 ~~attorney's fees on recovery; and~~
 42 ~~(4) shall be collected and enforced~~

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1 in substantially the same manner as provided in IC 36-9-23-31 through
 2 IC 36-9-23-34. A lien under this chapter that is the only lien on a
 3 property may not be foreclosed: **by civil action in the name of the**
 4 **state of Indiana on the relation of the district.**

5 SECTION 24. IC 16-20-1-25, AS AMENDED BY P.L.97-2012,
 6 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2013]: Sec. 25. (a) A person shall not institute, permit, or
 8 maintain any conditions that may transmit, generate, or promote
 9 disease.

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

- 16 (1) be in writing;
- 17 (2) specify the conditions that may transmit disease; and
- 18 (3) name the shortest reasonable time for abatement.

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

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

31 (e) A person who provides false information upon which a health
 32 officer relies in issuing an order under this section commits a Class C
 33 **infraction: misdemeanor.**

34 SECTION 25. IC 35-44.1-2-3, AS ADDED BY P.L.126-2012,
 35 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2013]: Sec. 3. (a) As used in this section, "consumer product"
 37 has the meaning set forth in IC 35-45-8-1.

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

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

- 42 (1) the person or another person has placed or intends to place an

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1 explosive, a destructive device, or other destructive substance in
 2 a building or transportation facility;
 3 (2) there has been or there will be tampering with a consumer
 4 product introduced into commerce; or
 5 (3) there has been or will be placed or introduced a weapon of
 6 mass destruction in a building or a place of assembly;
 7 knowing the report to be false, commits false reporting, a Class D
 8 felony.

9 (d) A person who:

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

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

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

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

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

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

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

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

30 **(7) gives a false report of actions, behavior, or conditions that
 31 violate IC 8-1-2-125, IC 13-26-5-2.7, or IC 36-9-23-30.1;**

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

35 SECTION 26. IC 35-51-16-1, AS ADDED BY P.L.70-2011,
 36 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2013]: Sec. 1. The following statutes define crimes in IC 16:

38 IC 16-19-12-1 (Concerning the state department of health).

39 **IC 16-20-1-25 (Concerning local health departments).**

40 IC 16-20-9-1 (Concerning local health departments).

41 IC 16-21-2-2.5 (Concerning licensure of hospitals).

42 IC 16-21-5-3 (Concerning licensure of hospitals).

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- 1 IC 16-21-6-12 (Concerning hospital financial disclosure law).
- 2 IC 16-21-7-5 (Concerning hospitals).
- 3 IC 16-25-5-8 (Concerning hospices).
- 4 IC 16-25-6-1 (Concerning hospices).
- 5 IC 16-27-1-15 (Concerning home health agencies).
- 6 IC 16-27-2-3 (Concerning home health agencies).
- 7 IC 16-27-4-23 (Concerning home health agencies).
- 8 IC 16-28-7-5 (Concerning monitors).
- 9 IC 16-28-9-3 (Concerning monitors).
- 10 IC 16-28-9-4 (Concerning monitors).
- 11 IC 16-28-9-5 (Concerning monitors).
- 12 IC 16-30-5-1 (Concerning health planning).
- 13 IC 16-31-3-16 (Concerning emergency medical services).
- 14 IC 16-31-3-22 (Concerning emergency medical services).
- 15 IC 16-31-10-2 (Concerning emergency medical services).
- 16 IC 16-34-2-5 (Concerning abortion).
- 17 IC 16-34-2-6 (Concerning abortion).
- 18 IC 16-34-2-7 (Concerning abortion).
- 19 IC 16-36-4-15 (Concerning medical consent).
- 20 IC 16-36-4-16 (Concerning medical consent).
- 21 IC 16-36-5-27 (Concerning medical consent).
- 22 IC 16-36-5-28 (Concerning medical consent).
- 23 IC 16-37-1-12 (Concerning vital statistics).
- 24 IC 16-37-1-13 (Concerning vital statistics).
- 25 IC 16-37-2-2.1 (Concerning vital statistics).
- 26 IC 16-37-2-19 (Concerning vital statistics).
- 27 IC 16-37-3-16 (Concerning vital statistics).
- 28 IC 16-38-5-4 (Concerning health registries).
- 29 IC 16-39-7.1-3 (Concerning health records).
- 30 IC 16-39-7.1-6 (Concerning health records).
- 31 IC 16-41-1-3 (Concerning communicable diseases).
- 32 IC 16-41-2-9 (Concerning communicable diseases).
- 33 IC 16-41-3-3 (Concerning communicable diseases).
- 34 IC 16-41-4-3 (Concerning communicable diseases).
- 35 IC 16-41-5-3 (Concerning communicable diseases).
- 36 IC 16-41-6-3 (Concerning communicable diseases).
- 37 IC 16-41-7-5 (Concerning communicable diseases).
- 38 IC 16-41-8-1 (Concerning communicable diseases).
- 39 IC 16-41-8-3 (Concerning communicable diseases).
- 40 IC 16-41-8-5 (Concerning communicable diseases).
- 41 IC 16-41-9-1.5 (Concerning communicable diseases).
- 42 IC 16-41-10-5 (Concerning communicable diseases).

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- 1 IC 16-41-10-7 (Concerning communicable diseases).
- 2 IC 16-41-12-13 (Concerning communicable diseases).
- 3 IC 16-41-12-14 (Concerning communicable diseases).
- 4 IC 16-41-12-15 (Concerning communicable diseases).
- 5 IC 16-41-13-3 (Concerning communicable diseases).
- 6 IC 16-41-13-4 (Concerning communicable diseases).
- 7 IC 16-41-13-6 (Concerning communicable diseases).
- 8 IC 16-41-14-13 (Concerning communicable diseases).
- 9 IC 16-41-14-15 (Concerning communicable diseases).
- 10 IC 16-41-14-16 (Concerning communicable diseases).
- 11 IC 16-41-14-17 (Concerning communicable diseases).
- 12 IC 16-41-14-20 (Concerning communicable diseases).
- 13 IC 16-41-15-18 (Concerning communicable diseases).
- 14 IC 16-41-16-11 (Concerning communicable diseases).
- 15 IC 16-41-18-6 (Concerning prevention and treatment programs).
- 16 IC 16-41-19-10 (Concerning prevention and treatment programs).
- 17 IC 16-41-20-13 (Concerning health, sanitation, and safety).
- 18 IC 16-41-21-18 (Concerning health, sanitation, and safety).
- 19 IC 16-41-21-19 (Concerning health, sanitation, and safety).
- 20 IC 16-41-22-21 (Concerning health, sanitation, and safety).
- 21 IC 16-41-22-22 (Concerning health, sanitation, and safety).
- 22 IC 16-41-23-4 (Concerning health, sanitation, and safety).
- 23 IC 16-41-24-11 (Concerning health, sanitation, and safety).
- 24 IC 16-41-25-2 (Concerning health, sanitation, and safety).
- 25 IC 16-41-27-34 (Concerning health, sanitation, and safety).
- 26 IC 16-41-29-5 (Concerning regulation of lodging facilities and
- 27 bedding materials).
- 28 IC 16-41-32-30 (Concerning regulation of lodging facilities and
- 29 bedding materials).
- 30 IC 16-41-33-9 (Concerning pest control).
- 31 IC 16-41-34-8 (Concerning pest control).
- 32 IC 16-41-35-40 (Concerning radiation).
- 33 IC 16-41-38-10 (Concerning radon gas).
- 34 IC 16-42-1-16 (Concerning Uniform Food, Drug, and Cosmetic
- 35 Act).
- 36 IC 16-42-1-34 (Concerning Uniform Food, Drug, and Cosmetic
- 37 Act).
- 38 IC 16-42-2-8 (Concerning Uniform Food, Drug, and Cosmetic
- 39 Act).
- 40 IC 16-42-2-9 (Concerning Uniform Food, Drug, and Cosmetic
- 41 Act).
- 42 IC 16-42-3-12 (Concerning Uniform Food, Drug, and Cosmetic

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

15 SECTION 27. IC 36-9-23-25, AS AMENDED BY P.L.114-2008,
 16 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2013]: Sec. 25. (a) Subject to section 37 of this chapter, the
 18 municipal legislative body shall, by ordinance, establish just and
 19 equitable fees for the services rendered by the sewage works, and
 20 provide the dates on which the fees are due.

21 (b) Just and equitable fees are the fees required to maintain the
 22 sewage works in the sound physical and financial condition necessary
 23 to render adequate and efficient service. The fees must be sufficient to:

- 24 (1) pay all expenses incidental to the operation of the works,
 25 including legal expenses, maintenance costs, operating charges,
 26 repairs, lease rentals, and interest charges on bonds or other
 27 obligations;
- 28 (2) provide the sinking fund required by section 21 of this
 29 chapter;
- 30 (3) provide adequate money to be used as working capital; and
- 31 (4) provide adequate money for improving and replacing the
 32 works.

33 Fees established after notice and hearing under this chapter are
 34 presumed to be just and equitable.

35 (c) The fees are payable by the owner of each lot, parcel of real
 36 property, or building that:

- 37 (1) is connected with the sewage works by or through any part of
 38 the municipal sewer system; or
- 39 (2) uses or is served by the works.

40 Unless the municipal legislative body finds otherwise, the works are
 41 considered to benefit every lot, parcel of real property, or building
 42 connected ~~or to be connected~~ with the municipal sewer system as a

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1 result of construction work under the contract, and the fees shall be
2 billed and collected accordingly.

3 (d) The municipal legislative body may use one (1) or more of the
4 following factors to establish the fees:

- 5 (1) A flat charge for each sewer connection.
6 (2) The amount of water used on the property.
7 (3) The number and size of water outlets on the property.
8 (4) The amount, strength, or character of sewage discharged into
9 the sewers.
10 (5) The size of sewer connections.
11 (6) Whether the property has been or will be required to pay
12 separately for any part of the sewage works.
13 (7) Whether the property, although vacant or unimproved, is
14 benefited by a local or lateral sewer because of the availability of
15 that sewer. However, the owner must have been notified, by
16 recorded covenants and restrictions or deed restrictions in the
17 chain of title of ~~his~~ **the owner's** property, that a fee or assessment
18 for sewer availability may be charged, and the fee may reflect
19 only the capital cost of the sewer and not the cost of operation and
20 maintenance of the sewage works.
21 (8) The cost of collecting, treating, and disposing of garbage in a
22 sanitary manner, including equipment and wages.
23 (9) The amount of money sufficient to compensate the
24 municipality for the property taxes that would be paid on the
25 sewage works if the sewage works were privately owned.
26 (10) Any other factors the legislative body considers necessary.

27 Fees collected under subdivision (8) may be spent for that purpose only
28 after compliance with all provisions of the ordinance authorizing the
29 issuance of the revenue bonds for the sewage works. The board may
30 transfer fees collected in lieu of taxes under subdivision (9) to the
31 general fund of the municipality.

32 (e) The municipal legislative body may exercise reasonable
33 discretion in adopting different schedules of fees, or making
34 classifications in schedules of fees, based on variations in:

- 35 (1) the costs, including capital expenditures, of furnishing
36 services to various classes of users or to various locations; or
37 (2) the number of users in various locations.

38 SECTION 28. IC 36-9-23-30 IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 30. (a) Subject to
40 subsection (b) **and section 30.1 of this chapter**, a municipality that
41 operates sewage works under this chapter or under any statute repealed
42 by IC 19-2-5-30 (repealed September 1, 1981) may require:

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- 1 (1) connection to its sewer system of any property producing
- 2 sewage or similar waste; and
- 3 (2) discontinuance of the use of privies, cesspools, septic tanks,
- 4 and similar structures.
- 5 (b) A municipality may exercise the powers granted by subsection
- 6 (a) only if:
- 7 (1) there is an available sanitary sewer within three hundred (300)
- 8 feet of the property line of the affected property; and
- 9 (2) it has given notice by certified mail to the property owner at
- 10 the address of the property, at least ninety (90) days before the
- 11 date specified for connection in the notice.
- 12 (c) A municipality may establish, enforce, and collect reasonable
- 13 penalties for failure to make a connection under this section. **A penalty**
- 14 **under this subsection does not constitute a lien against property.**
- 15 (d) A municipality may apply to the circuit or superior court for the
- 16 county in which it is located for an order to require a connection under
- 17 this section. The court shall ~~assess the cost of the action and reasonable~~
- 18 ~~attorney's fees of the municipality against the property owner in such~~
- 19 ~~an action: allow the prevailing party reasonable attorney's fees and~~
- 20 ~~the cost of the action.~~
- 21 SECTION 29. IC 36-9-23-30.1 IS ADDED TO THE INDIANA
- 22 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 23 [EFFECTIVE JULY 1, 2013]: **Sec. 30.1. (a) For purposes of this**
- 24 **section, a sewage disposal system is "failing" if one (1) or more of**
- 25 **the following apply:**
- 26 (1) **The system refuses to accept sewage at the rate of design**
- 27 **application and interferes with the normal use of plumbing**
- 28 **fixtures.**
- 29 (2) **Effluent discharge exceeds the absorptive capacity of the**
- 30 **soil into which the system discharges, resulting in ponding,**
- 31 **seepage, or other discharge of the effluent to the ground**
- 32 **surface or to surface waters.**
- 33 (3) **Effluent discharged from the system contaminates a**
- 34 **potable water supply, ground water, or surface waters.**
- 35 (b) **As used in this section, "qualified inspector" means the**
- 36 **following:**
- 37 (1) **A local health officer.**
- 38 (2) **A certified sewage disposal system installer.**
- 39 (3) **An individual certified by the state or a local health**
- 40 **department to evaluate sewage disposal systems.**
- 41 (4) **Any other person who can demonstrate sufficient**
- 42 **knowledge of sewage disposal systems to determine if a**

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sewage disposal system is failing.
(c) As used in this section, "sewage disposal system" has the meaning set forth in IC 13-11-2-201.

(d) A property owner is exempt from the requirement to connect to a municipally owned sewer system under section 30 of this chapter and to discontinue use of a sewage disposal system if the following conditions are met:

(1) The owner can demonstrate the availability on the property of a sewage disposal system that will protect human health and the environment.

(2) The waste stream from the property is limited to domestic sewage from a residence or business.

(3) Not more than one hundred eighty (180) days after the property owner receives written notice from the municipality that the property owner may be required to discontinue use of the property owner's sewage disposal system and connect to the municipally owned sewer system, the property owner, at the property owner's expense, obtains and provides to the municipality a certification from a qualified inspector that the sewage disposal system is not failing.

(e) 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 municipally owned 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 municipality.

(f) A property owner who connects to a municipally owned 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 municipality.

(g) 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 failing sewage disposal system.

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1 **(h) The district shall allow a property owner who:**
 2 **(1) is connected to a municipally owned sewer system;**
 3 **(2) installs a new or uses an existing sewage disposal system;**
 4 **and**
 5 **(3) obtains and provides to the municipality a certification**
 6 **described in subsection (d)(3) for the sewage disposal system;**
 7 **to disconnect from the municipally owned sewer system within**
 8 **ninety (90) days after the district receives the certification under**
 9 **subdivision (3). The district may not bill the property owner for**
 10 **any sewer services after the date of disconnection.**

11 SECTION 30. IC 36-9-23-36, AS AMENDED BY P.L.114-2008,
 12 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2013]: Sec. 36. (a) Except as provided in subsections (b), ~~and~~
 14 (c), **and (d)**, a municipality may exercise powers granted by this
 15 chapter in areas within ten (10) miles outside its corporate boundaries.

16 (b) The mileage limitation in subsection (a) does not apply to the
 17 provision of sewage treatment service for an entity that is described in
 18 section 16(b)(2) of this chapter.

19 (c) In an area referred to in subsection (a), a municipality may not:

- 20 (1) impose fees under this chapter; or
 21 (2) otherwise exercise powers granted by this chapter;
 22 to provide storm water management services to the area if the county
 23 provides storm water management services to the area under
 24 IC 8-1.5-5.

25 **(d) Beginning July 1, 2013, a municipality may not require**
 26 **connection to its sewer system of any property producing sewage**
 27 **or similar waste if the property is located outside the corporate**
 28 **boundaries of the municipality.**

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