



February 15, 2022

ENGROSSED
SENATE BILL No. 272

DIGEST OF SB 272 (Updated February 15, 2022 1:24 pm - DI 101)

Citations Affected: IC 5-1.2; IC 8-1; IC 20-32.

Synopsis: Wastewater infrastructure. Provides that the Indiana finance authority (authority) shall serve as the executive branch coordinator for funds allocated or made available to the state or local communities from federal, state, and other sources for purposes related to drinking water, wastewater, or storm water infrastructure and systems. Sets forth the duties of the authority with respect to this role. Specifies that the authority shall coordinate the executive branch activities related to the state's drinking water and wastewater programs. (Current law provides that the authority shall serve such a role with respect to the state's water programs.) Authorizes the establishment of a drinking water and wastewater infrastructure research and extension program (program)
(Continued next page)

Effective: Upon passage; July 1, 2022.

**Koch, Charbonneau, Doriot, Glick,
Niemeyer, Qaddoura, Niezgodski,
Zay, Houchin, Donato, Leising,
Bassler, Pol Jr., Randolph Lonnie M,
Yoder**

(HOUSE SPONSORS — SOLIDAY, HAMILTON)

January 10, 2022, read first time and referred to Committee on Utilities.
January 18, 2022, amended, reported favorably — Do Pass.
January 24, 2022, read second time, amended, ordered engrossed.
January 25, 2022, engrossed. Read third time, passed. Yeas 46, nays 0.

HOUSE ACTION

February 1, 2022, read first time and referred to Committee on Utilities, Energy and Telecommunications.
February 15, 2022, amended, reported — Do Pass.

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to provide data collection and information, training, and technical assistance concerning: (1) drinking water infrastructure; (2) wastewater infrastructure; and (3) storm water infrastructure; in Indiana. Provides that the authority may: (1) contract with a state supported college or university in Indiana to provide the program; and (2) financially support the program from existing funds appropriated to the authority. Provides that the program may be housed within, or share staff with, the existing research and highway extension program at Purdue University. Provides that the program may provide the following services and programs to, or for the benefit of, utilities providing drinking water, wastewater, or storm water service in Indiana: (1) Assisting utilities in the development of asset management programs. (2) Serving as a central repository for data concerning infrastructure used to provide drinking water, wastewater, or storm water service in Indiana. (3) Providing training and technical assistance to utilities and Indiana's drinking water, wastewater, and storm water utility industry workforces. Requires the authority to make, not later than July 1, 2023, all: (1) utility asset management programs; and (2) information concerning utility asset lifecycle management costs; submitted to or reviewed by the authority available on an Internet web site maintained by the authority or the program. Requires that in carrying out all information gathering and reporting duties under the bill's provisions, the authority and the program shall use any data the authority or the program acquires in a manner that: (1) protects the confidential information of individual utilities and customers; and (2) is consistent with applicable statutory exclusions from disclosure under the state's public records act. Provides that as a condition for receiving a loan, grant, or other financial assistance after June 30, 2023, through the wastewater revolving loan program, the drinking water revolving loan program, the water infrastructure assistance program, or the water infrastructure grant program, a participant must do the following: (1) Submit the participant's required asset management program to the authority not later than the time of submission of the participant's preliminary engineering report for any project for which the loan, grant, or other financial assistance will be provided. (Current law does not specify when the asset management program must be submitted.) (2) Submit to the authority information on the estimated and actual life cycle management costs over the useful life of the asset financed. (3) In the case of a participant that is not under the jurisdiction of the Indiana utility regulatory commission (IURC), regularly report to all: (A) customers; (B) counties; and (C) municipalities; within the participant's service territory information concerning the participant's asset management program. Provides that money in the: (1) supplemental drinking water and wastewater assistance fund; (2) water infrastructure assistance fund; and (3) water infrastructure grant fund; may be used to provide grants, loans, or other financial assistance for the planning, designing, acquisition, construction, renovation, improvement, or expansion of septic relief systems, in accordance with guidelines of the authority. Provides that the authority's project prioritization system for awarding assistance from the water infrastructure assistance fund and the water infrastructure grant fund must include as a variable the effect of a project on the environment. Provides for the following with respect to a wastewater utility that is not subject to the jurisdiction of the IURC for the approval of rates and charges and that has been issued one or more enforcement orders (orders) relating to environmental or health and human safety issues by the department of environmental management (department) after June 30, 2022: (1) For the first order, the utility is subject to an informal review of its: (A) rates and charges; and (B) asset management program; by the IURC, in accordance with procedures determined by the IURC. (2) For a second order that is issued within two years of the first order, the utility is subject to rate regulation, following two base

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Digest Continued

rate cases, by the IURC for a minimum period of: (A) five years from the IURC's order in the first base rate case; and (B) one year from the IURC's order in the second base rate case. (3) For any order issued during the required rate regulation period, the IURC may, in consultation with the department, initiate a receivership proceeding with respect to the utility. Requires the state board of education (state board) to approve, for purposes of the state's career and technical education graduation pathway, a utility career cluster that allows students to acquire knowledge and skills related to employment in the electric, natural gas, communications, water, and wastewater utility industries. Requires the governor's workforce cabinet, in consultation with the state board, the department of education, and the department of workforce development, to create course sequences for the utility career cluster.



February 15, 2022

Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 272

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

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

1 SECTION 1. IC 5-1.2-4-1, AS AMENDED BY P.L.154-2021,
2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2022]: Sec. 1. (a) The authority is granted all powers
4 necessary or appropriate to carry out and effectuate its public and
5 corporate purposes under the referenced statutes, including the
6 following:
7 (1) Have perpetual succession as a body politic and corporate and
8 an independent instrumentality exercising essential public
9 functions.
10 (2) Without complying with IC 4-22-2, adopt, amend, and repeal
11 bylaws, rules, guidelines, and policies not inconsistent with the
12 referenced statutes, and necessary or convenient to regulate its
13 affairs and to carry into effect the powers, duties, and purposes of
14 the authority and conduct its business under the referenced
15 statutes. These bylaws, rules, guidelines, and policies must be

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- 1 made by a resolution of the authority introduced at one (1)
2 meeting and approved at a subsequent meeting of the authority.
3 (3) Sue and be sued in its own name.
4 (4) Have an official seal and alter it at will.
5 (5) Maintain an office or offices at a place or places within the
6 state as it may designate.
7 (6) Make, execute, and enforce contracts and all other instruments
8 necessary, convenient, or desirable for the purposes of the
9 authority or pertaining to:
10 (A) a purchase, acquisition, or sale of securities or other
11 investments; or
12 (B) the performance of the authority's duties and execution of
13 any of the authority's powers under the referenced statutes.
14 (7) Employ architects, engineers, attorneys, space planners,
15 construction managers, inspectors, accountants, agriculture
16 experts, silviculture experts, aquaculture experts, health care
17 experts, and financial experts, and any other advisers, consultants,
18 and agents as may be necessary in its judgment and to fix their
19 compensation and contract for the creation of plans and
20 specifications for a facility.
21 (8) Procure insurance against any loss in connection with its
22 property and other assets, including loans and loan notes in
23 amounts and from insurers as it may consider advisable.
24 (9) Borrow money, make guaranties, issue bonds, and otherwise
25 incur indebtedness for any of the authority's purposes, and issue
26 debentures, notes, or other evidence of indebtedness, whether
27 secured or unsecured, to any person, as provided by the
28 referenced statutes. Notwithstanding any other law, the:
29 (A) issuance by the authority of any indebtedness that
30 establishes a procedure for the authority or a person acting on
31 behalf of the authority to certify to the general assembly the
32 amount needed to restore a debt service reserve fund or
33 another fund to required levels; or
34 (B) execution by the authority of any other agreement that
35 creates a moral obligation of the state to pay all or part of any
36 indebtedness issued by the authority;
37 is subject to review by the budget committee and approval by the
38 budget director.
39 (10) Procure insurance or guaranties from any public or private
40 entities, including any department, agency, or instrumentality of
41 the United States, to guarantee, insure, coinsure, and reinsure
42 against political and commercial risk of loss, and any other



- 1 insurance the authority considers necessary, including insurance
2 to secure payment:
- 3 (A) on a loan, lease, or purchase payment owed by a
4 participating provider to the authority; and
- 5 (B) of any bonds issued by the authority, including the power
6 to pay premiums on any insurance, reinsurance, or guarantee.
- 7 (11) Purchase, receive, take by grant, gift, devise, bequest, or
8 otherwise, and accept, from any source, aid or contributions of
9 money, property, labor, or other things of value to be held, used,
10 and applied to carry out the purposes of the referenced statutes,
11 subject to the conditions upon which the grants or contributions
12 are made, including but not limited to gifts or grants from any
13 department, agency, or instrumentality of the United States, and
14 lease (as lessee or lessor) or otherwise acquire, own, hold,
15 improve, employ, use, or otherwise deal in and with real or
16 personal property or any interest in real or personal property,
17 wherever situated, for any purpose consistent with the referenced
18 statutes.
- 19 (12) Enter into agreements with any department, agency, or
20 instrumentality of the United States or this state and with lenders
21 and enter into loan agreements, sales contracts, financial
22 assistance agreements, and leases with contracting parties,
23 including participants for any purpose allowed under IC 5-1.2-10,
24 IC 5-1.2-11, IC 5-1.2-14, or IC 5-1.2-14.5, borrowers, lenders,
25 developers, or users, for the purpose of planning, regulating, and
26 providing for the financing and refinancing of any economic
27 development project, for any purpose allowed under IC 5-1.2-10,
28 IC 5-1.2-11, IC 5-1.2-14, or IC 5-1.2-14.5, or intrastate and
29 interstate sales, transactions and business activities or
30 international exports, and distribute data and information
31 concerning the encouragement and improvement of economic
32 development projects, intrastate and interstate sales, transactions
33 and business activities, international exports, and other types of
34 employment in the state undertaken with the assistance of the
35 authority under this article.
- 36 (13) Enter into contracts or agreements with lenders and lessors
37 for the servicing and processing of loans and leases pursuant to
38 the referenced statutes.
- 39 (14) Provide technical assistance to local public bodies and to for
40 profit and nonprofit entities in the development or operation of
41 economic development projects.
- 42 (15) To the extent allowed under its contract with the holders of



- 1 the bonds of the authority, consent to any modification with
 2 respect to the rate of interest, time, and payment of any
 3 installment of principal or interest, or any other term of any
 4 contract, loan, loan note, loan note commitment, contract, lease,
 5 or agreement of any kind to which the authority is a party.
 6 (16) To the extent allowed under its contract with the holders of
 7 bonds of the authority, enter into contracts with any lender
 8 containing provisions enabling it to reduce the rental or carrying
 9 charges to persons unable to pay the regular schedule of charges
 10 when, by reason of other income or payment by any department,
 11 agency, or instrumentality of the United States or of this state, the
 12 reduction can be made without jeopardizing the economic
 13 stability of the economic development project being financed.
 14 (17) Notwithstanding IC 5-13, but subject to the requirements of
 15 any trust agreement entered into by the authority, invest:
 16 (A) the authority's money, funds, and accounts;
 17 (B) any money, funds, and accounts in the authority's custody;
 18 and
 19 (C) proceeds of bonds or notes;
 20 in the manner provided by an investment policy established by
 21 resolution of the authority.
 22 (18) Fix and revise periodically, and charge and collect, fees and
 23 charges as the authority determines to be reasonable in connection
 24 with:
 25 (A) the authority's loans, guarantees, advances, insurance,
 26 commitments, and servicing; and
 27 (B) the use of the authority's services or facilities.
 28 (19) Cooperate and exchange services, personnel, and information
 29 with any federal, state, or local government agency, or
 30 instrumentality of the United States or this state.
 31 (20) Sell, at public or private sale, with or without public bidding,
 32 any loan or other obligation held by the authority.
 33 (21) Enter into agreements concerning, and acquire, hold, and
 34 dispose of by any lawful means, land or interests in land, building
 35 improvements, structures, personal property, franchises, patents,
 36 accounts receivable, loans, assignments, guarantees, and
 37 insurance needed for the purposes of the referenced statutes.
 38 (22) Purchase, lease as lessee, construct, remodel, rebuild,
 39 enlarge, or substantially improve economic development projects,
 40 including land, machinery, equipment, or any combination of
 41 these.
 42 (23) Lease economic development projects to users or developers,



- 1 with or without an option to purchase.
2 (24) Sell economic development projects to users or developers,
3 for consideration to be paid in installments or otherwise.
4 (25) Make direct loans from the proceeds of the bonds to users or
5 developers for:
6 (A) the cost of acquisition, construction, or installation of
7 economic development projects, including land, machinery,
8 equipment, or any combination of these; or
9 (B) eligible expenditures for an educational facility project;
10 with the loans to be secured by the pledge of one (1) or more
11 bonds, notes, warrants, or other secured or unsecured debt
12 obligations of the users or developers.
13 (26) Lend or deposit the proceeds of bonds to or with a lender for
14 the purpose of furnishing funds to the lender to be used for
15 making a loan to a developer or user for the financing of
16 economic development projects under this article.
17 (27) Enter into agreements with users or developers to allow the
18 users or developers, directly or as agents for the authority, to
19 wholly or partially construct economic development projects to be
20 leased from or to be acquired by the authority.
21 (28) Establish reserves from the proceeds of the sale of bonds,
22 other funds, or both, in the amount determined to be necessary by
23 the authority to secure the payment of the principal of and interest
24 on the bonds.
25 (29) Adopt rules and guidelines governing its activities authorized
26 under the referenced statutes.
27 (30) Purchase, discount, sell, and negotiate, with or without
28 guaranty, notes and other evidence of indebtedness.
29 (31) Sell and guarantee securities.
30 (32) Procure letters of credit or other credit facilities or
31 agreements from any national or state banking association or
32 other entity authorized to issue a letter of credit or other credit
33 facilities or agreements to secure the payment of any bonds issued
34 by the authority or to secure the payment of any loan, lease, or
35 purchase payment owed by a participating provider to the
36 authority, including the power to pay the cost of obtaining such
37 letter of credit or other credit facilities or agreements.
38 (33) Accept gifts, grants, or loans from, and enter into contracts
39 or other transactions with, any federal or state agency,
40 municipality, private organization, or other source.
41 (34) Sell, convey, mortgage, pledge, assign, lease, exchange,
42 transfer, or otherwise dispose of property or any interest in



- 1 property, wherever the property is located.
 2 (35) Reimburse from bond proceeds expenditures for economic
 3 development projects under this article.
 4 (36) Acquire, hold, use, and dispose of the authority's income,
 5 revenues, funds, and money.
 6 (37) Purchase, acquire, or hold debt securities or other
 7 investments for the authority's own account at prices and in a
 8 manner the authority considers advisable, and sell or otherwise
 9 dispose of those securities or investments at prices without
 10 relation to cost and in a manner the authority considers advisable.
 11 (38) Fix and establish terms and provisions with respect to:
 12 (A) a purchase of securities by the authority, including dates
 13 and maturities of the securities;
 14 (B) redemption or payment before maturity; and
 15 (C) any other matters that in connection with the purchase are
 16 necessary, desirable, or advisable in the judgment of the
 17 authority.
 18 (39) To the extent allowed under the authority's contracts with the
 19 holders of bonds or notes, amend, modify, and supplement any
 20 provision or term of:
 21 (A) a bond, a note, or any other obligation of the authority; or
 22 (B) any agreement or contract of any kind to which the
 23 authority is a party.
 24 (40) Subject to the authority's investment policy, do any act and
 25 enter into any agreement pertaining to a swap agreement (as
 26 defined in IC 8-9.5-9-4) related to the purposes of the referenced
 27 statutes in accordance with IC 8-9.5-9-5 and IC 8-9.5-9-7,
 28 whether the action is incidental to the issuance, carrying, or
 29 securing of bonds or otherwise.
 30 (41) Do any act necessary or convenient to the exercise of the
 31 powers granted by the referenced statutes, or reasonably implied
 32 from those statutes, including compliance with requirements of
 33 federal law imposed from time to time for the issuance of bonds.
 34 **(42) Contract and collaborate with a state supported college**
 35 **or university to provide the research and extension program**
 36 **authorized by IC 5-1.2-11.5-10.**
 37 **(43) Serve as the executive branch coordinator for funding**
 38 **allocated or made available to the state or local communities**
 39 **from federal, state, and other sources for purposes related to**
 40 **drinking water, wastewater, or storm water infrastructure**
 41 **and systems, as set forth in IC 5-1.2-11.5-9(a)(2).**
 42 (b) The authority's powers under this article shall be interpreted



1 broadly to effectuate the purposes of this article and may not be
 2 construed as a limitation of powers. The omission of a power from the
 3 list in subsection (a) does not imply that the authority lacks that power.
 4 The authority may exercise any power that is not listed in subsection
 5 (a) but is consistent with the powers listed in subsection (a) to the
 6 extent that the power is not expressly denied by the Constitution of the
 7 State of Indiana or by another statute.

8 (c) This chapter does not authorize the financing of economic
 9 development projects for a developer unless any written agreement that
 10 may exist between the developer and the user at the time of the bond
 11 resolution is fully disclosed to and approved by the authority.

12 (d) The authority shall work with and assist the Indiana housing and
 13 community development authority created by IC 5-20-1-3, the ports of
 14 Indiana created under IC 8-10-1-3, and the state fair commission
 15 established by IC 15-13-2-1 in the issuance of bonds, notes, or other
 16 indebtedness. The Indiana housing and community development
 17 authority, the ports of Indiana, and the state fair commission shall work
 18 with and cooperate with the authority in connection with the issuance
 19 of bonds, notes, or other indebtedness.

20 SECTION 2. IC 5-1.2-10-16, AS ADDED BY P.L.189-2018,
 21 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2022]: Sec. 16. (a) A loan or other financial assistance from
 23 either fund must be accompanied by the following:

- 24 (1) All papers and opinions required by the authority.
 25 (2) Unless otherwise provided by the guidelines of the authority,
 26 the following:
- 27 (A) An approving opinion of nationally recognized bond
 28 counsel.
 29 (B) A certification and guarantee of signatures.
 30 (C) A certification that, as of the date of the loan or other
 31 financial assistance:
 32 (i) no litigation is pending challenging the validity of or
 33 entry into the loan or other financial assistance or any
 34 security for the loan or other financial assistance; or
 35 (ii) if litigation is pending, the litigation will not have a
 36 material adverse effect on the validity of the loan or other
 37 financial assistance or any security for the loan or other
 38 financial assistance.
 39 (D) If litigation is pending, as an alternative to the certification
 40 described in clause (C), an opinion of legal counsel that the
 41 litigation will not have a material adverse effect on the validity
 42 of the loan or other financial assistance.



- 1 (E) Documentation demonstrating that the participant has the
 2 financial, managerial, technical, and legal capability of
 3 operating and maintaining its water or wastewater collection
 4 and treatment system.
- 5 (b) Each participant
 6 (†) to which, or
 7 (‡) for the benefit of which:
- 8 **(1) a loan, ~~would be made~~ grant, or the other financial assistance**
 9 **would be provided under this chapter is awarded before July 1,**
 10 **2023, must demonstrate that it has developed or is in the process**
 11 **of developing an asset management program, as defined in the**
 12 **guidelines of the authority; or**
 13 **(2) a loan, grant, or other financial assistance is awarded after**
 14 **June 30, 2023:**
- 15 **(A) must demonstrate that it has developed:**
- 16 **(i) an asset management program, as defined in the**
 17 **guidelines of the authority; and**
 18 **(ii) an estimate of the life cycle management costs, as**
 19 **defined in the guidelines of the authority, that will be**
 20 **incurred over the useful life of the asset to be financed**
 21 **with the loan, grant, or other financial assistance;**
 22 **not later than the time of submission of the participant's**
 23 **preliminary engineering report for any project for which**
 24 **the loan, grant, or other financial assistance would be**
 25 **provided;**
- 26 **(B) must report to the authority on an ongoing basis, at**
 27 **such times as the authority shall prescribe, the actual life**
 28 **cycle management costs incurred by the participant over**
 29 **the useful life of the asset; and**
- 30 **(C) in the case of a participant that is not under the**
 31 **jurisdiction of the Indiana utility regulatory commission,**
 32 **must regularly report, at such times and in such manner as**
 33 **the authority shall prescribe, to all:**
- 34 **(i) customers;**
 35 **(ii) counties; and**
 36 **(iii) municipalities;**
 37 **within the participant's service territory such information**
 38 **concerning the participant's asset management program**
 39 **and utility asset life cycle management costs as the**
 40 **authority may require.**
- 41 SECTION 3. IC 5-1.2-11-6, AS ADDED BY P.L.189-2018,
 42 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2022]: Sec. 6. Money in the supplemental fund may be used
2 to do the following:

3 (1) Provide grants, loans, or other financial assistance to or for the
4 benefit of participants for the planning, designing, acquisition,
5 construction, renovation, improvement, or expansion of the
6 following:

7 (A) A public water system, whether or not those other
8 activities are allowed by the federal Clean Water Act or the
9 federal Safe Drinking Water Act.

10 (B) A wastewater or storm water collection and treatment
11 system.

12 The money may be used to pay for other activities necessary or
13 convenient to complete these tasks, regardless of whether those
14 other activities are allowed by the federal Clean Water Act or the
15 federal Safe Drinking Water Act.

16 (2) Provide grants, loans, or other financial assistance to political
17 subdivisions for tasks associated with the development and
18 preparation of:

19 (A) long term control plans;

20 (B) use attainability analyses; and

21 (C) storm water management programs.

22 **(3) Provide grants, loans, or other financial assistance to or**
23 **for the benefit of participants for the planning, designing,**
24 **acquisition, construction, renovation, improvement, or**
25 **expansion of septic relief systems in accordance with**
26 **guidelines of the authority.**

27 ~~(3)~~ **(4)** Provide interest subsidies.

28 ~~(4)~~ **(5)** Establish guaranties, reserves, or sinking funds, including
29 guaranties, reserves, or sinking funds to secure and pay, in whole
30 or in part, loans or other financial assistance made from sources
31 other than the supplemental fund (including financial institutions)
32 for a purpose allowed by subdivision (1).

33 ~~(5)~~ **(6)** Pay financing charges, including interest on the loan or
34 other financial assistance during construction and for a reasonable
35 period after the completion of construction.

36 ~~(6)~~ **(7)** Pay the cost of administering the supplemental fund and
37 the supplemental program.

38 ~~(7)~~ **(8)** Conduct all other activities that are allowed by the federal
39 Clean Water Act or the federal Safe Drinking Water Act.

40 SECTION 4. IC 5-1.2-11.5-9, AS ADDED BY P.L.15-2019,
41 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2022]: Sec. 9. (a) The authority shall coordinate the executive

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1 branch activities related to the state's **drinking water and wastewater**
 2 programs. The authority's duties under this section include the
 3 following:

4 (1) Serving as the executive branch coordinator of **drinking water**
 5 **and wastewater** related programs and activities of the state.

6 (2) **Serving as the executive branch coordinator for funding**
 7 **allocated or made available to the state or local communities**
 8 **from federal, state, and other sources for purposes related to**
 9 **drinking water, wastewater, or storm water infrastructure**
 10 **and systems. The authority's duties under this subdivision**
 11 **include:**

12 (A) **communicating with utilities, local communities, and**
 13 **state agencies about the availability of funds;**

14 (B) **vetting proposals for, and potential recipients of,**
 15 **available funds; and**

16 (C) **directing available funds to and among utilities, local**
 17 **communities, and state agencies;**

18 **as appropriate.**

19 ~~(2)~~ (3) Advising state agencies and political subdivisions, and
 20 coordinating their activities, regarding best practices concerning
 21 the best use of funding streams and incentives in the manner most
 22 likely to achieve comprehensive **drinking water and wastewater**
 23 related data collection and regional collaboration in **drinking**
 24 **water and wastewater service.**

25 ~~(3)~~ (4) Promoting and coordinating the collection and sharing of
 26 information throughout Indiana concerning **drinking water and**
 27 **wastewater service.**

28 ~~(4)~~ (5) Providing leadership regarding investment, affordability,
 29 supply, and economic development related to **drinking water and**
 30 **wastewater service.**

31 (b) All instrumentalities, agencies, authorities, boards, and
 32 commissions of the state, including the management performance hub
 33 established by IC 4-3-26, shall cooperate with and provide assistance
 34 to the authority in carrying out the authority's duties under this section.

35 (c) **In carrying out the authority's duties under subsection (a)(3)**
 36 **and (a)(4), the authority may consult and collaborate with, and**
 37 **draw on the technical expertise of, the drinking water and**
 38 **wastewater infrastructure research and extension program**
 39 **authorized by section 10 of this chapter, as appropriate.**

40 ~~(e)~~ (d) In carrying out the authority's duties under this section, the
 41 authority shall use any data the authority acquires in a manner that:

42 (1) protects the confidential information of individual **drinking**



1 water utilities, **wastewater utilities**, and **their** customers; and
 2 (2) is consistent with IC 5-14-3-4.

3 SECTION 5. IC 5-1.2-11.5-10 IS ADDED TO THE INDIANA
 4 CODE AS A NEW SECTION TO READ AS FOLLOWS
 5 [EFFECTIVE UPON PASSAGE]: **Sec. 10. (a) As used in this section,**
 6 **"program" refers to the drinking water and wastewater**
 7 **infrastructure research and extension program authorized by**
 8 **subsection (c).**

9 (b) As used in this section, "utility" means any of the following
 10 that provides drinking water, wastewater, or storm water service
 11 in Indiana:

- 12 (1) A public utility (as defined in IC 8-1-2-1(a)).
- 13 (2) A municipally owned utility (as defined in IC 8-1-2-1(h)).
- 14 (3) A not-for-profit utility (as defined in IC 8-1-2-125(a)).
- 15 (4) A cooperatively owned corporation.
- 16 (5) A conservancy district established under IC 14-33.
- 17 (6) A regional sewer district established under IC 13-26.
- 18 (7) A department of storm water management under
 19 IC 8-1.5-5.

20 (c) A drinking water and wastewater infrastructure research
 21 and extension program may be established to provide data
 22 collection and information, training, and technical assistance
 23 concerning:

- 24 (1) drinking water infrastructure;
- 25 (2) wastewater infrastructure; and
- 26 (3) storm water infrastructure;

27 in Indiana, including assistance with infrastructure and system
 28 design, construction, operation, maintenance, financial
 29 management, and administration.

30 (d) The authority may contract with a state supported college or
 31 university in Indiana to provide the program. The program:

- 32 (1) must be overseen by a director and include such staff as
 33 mutually agreed upon by the authority and the college or
 34 university; and
- 35 (2) may be housed within, or share staff with, the research
 36 and highway extension program established by IC 8-17-7, as
 37 may be mutually agreed upon by the authority and the college
 38 or university.

39 The authority may financially support the program from existing
 40 funds appropriated to the authority.

41 (e) The program may provide the following services and
 42 programs to, or for the benefit of, utilities that provide drinking



1 water, wastewater, or storm water service in Indiana:

2 (1) Assisting utilities in the development of asset management
3 programs by:

4 (A) providing educational and technical assistance
5 concerning the principles, benefits, requirements, and
6 implementation of a successful asset management
7 program; and

8 (B) reviewing the asset management programs of utilities
9 and offering advice in cases in which information or
10 essential components may be missing or lacking.

11 (2) Serving as a central repository for data concerning the
12 location and condition of, and populations served by, drinking
13 water infrastructure, wastewater infrastructure, and storm
14 water infrastructure throughout Indiana, by:

15 (A) collecting:

16 (i) data from utilities, local units, and state agencies; or

17 (ii) field data;

18 (B) compiling and organizing the data collected; and

19 (C) subject to subsection (g), making the data available in
20 an electronic format specified by the authority on an
21 Internet web site maintained by:

22 (i) the authority; or

23 (ii) the program.

24 (3) Providing training and technical assistance to utilities by:

25 (A) offering, participating in, or sponsoring statewide or
26 local conferences and workshops on topics related to the
27 design, construction, operation, maintenance, and
28 administration of utilities' infrastructure and systems; and

29 (B) making available or providing information on
30 professional development opportunities for Indiana's
31 drinking water, wastewater, and storm water utility
32 industry workforces.

33 (f) Subject to subsection (g), not later than July 1, 2023, the
34 authority shall make information concerning all:

35 (1) utility asset management programs; and

36 (2) utility asset lifecycle management costs;

37 submitted to or reviewed by the authority under this article
38 available in an electronic format specified by the authority on an
39 Internet web site maintained by the authority or the program.

40 (g) In carrying out the duties set forth in subsections (e)(2) and
41 (f), the authority and, if applicable, the program shall use any data
42 the authority or the program acquires in a manner that:



- 1 **(1) protects the confidential information of individual utilities**
- 2 **and customers; and**
- 3 **(2) is consistent with IC 5-14-3-4.**
- 4 SECTION 6. IC 5-1.2-14-4, AS AMENDED BY P.L.56-2019,
- 5 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 6 JULY 1, 2022]: Sec. 4. (a) Money in the water infrastructure assistance
- 7 fund may be used to do the following:
- 8 (1) Provide grants, loans, and other financial assistance to or for
- 9 the benefit of participants for:
- 10 (A) the planning, designing, acquisition, construction,
- 11 renovation, improvement, or expansion of public water
- 12 systems; and
- 13 (B) other activities necessary or convenient to complete the
- 14 tasks referred to in clause (A) whether or not the other
- 15 activities are permitted by the federal Clean Water Act or the
- 16 federal Safe Drinking Water Act.
- 17 (2) Provide grants, loans, or other financial assistance to or for the
- 18 benefit of participants for:
- 19 (A) the planning, designing, acquisition, construction,
- 20 renovation, improvement, or expansion of wastewater or storm
- 21 water collection and treatment systems; and
- 22 (B) other activities necessary or convenient to complete the
- 23 tasks referred to in clause (A) whether or not the other
- 24 activities are permitted by the federal Clean Water Act or the
- 25 federal Safe Drinking Water Act.
- 26 **(3) Provide grants, loans, or other financial assistance to or**
- 27 **for the benefit of participants for the planning, designing,**
- 28 **acquisition, construction, renovation, improvement, or**
- 29 **expansion of septic relief systems in accordance with**
- 30 **guidelines of the authority.**
- 31 ~~(4)~~ (4) Provide grants to political subdivisions for tasks associated
- 32 with the development and preparation of:
- 33 (A) long term control plans;
- 34 (B) use attainability analyses; and
- 35 (C) storm water management programs.
- 36 ~~(5)~~ (5) Undertake tasks associated with the development and
- 37 preparation of water, wastewater, and storm water infrastructure
- 38 and resource analyses.
- 39 ~~(5)~~ (6) Conduct all other activities that are permitted by the
- 40 federal Clean Water Act or the federal Safe Drinking Water Act.
- 41 (b) The authority may make loans or provide other financial
- 42 assistance from the water infrastructure assistance fund to or for the



- 1 benefit of a participant to do any of the following:
- 2 (1) Establish guaranties, reserves, or sinking funds, including
- 3 guaranties, reserves, or sinking funds to secure and pay, in whole
- 4 or in part, loans or other financial assistance made from sources
- 5 other than the fund (including financial institutions) for a purpose
- 6 permitted by this chapter.
- 7 (2) Provide interest subsidies.
- 8 (3) Pay financing charges, including interest on the loan or other
- 9 financial assistance:
- 10 (A) during design and construction of a water or wastewater
- 11 infrastructure project based upon a viable financial plan; and
- 12 (B) for a reasonable period after the completion of
- 13 construction.

14 SECTION 7. IC 5-1.2-14-8, AS AMENDED BY P.L.56-2019,
 15 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2022]: Sec. 8. (a) To receive a loan, grant, or other financial
 17 assistance from the water infrastructure assistance fund, a participant:

- 18 (1) ~~must have~~ **demonstrate that it has developed or is in the**
- 19 **process of developing** an asset management program, ~~that meets~~
- 20 ~~standards established by as defined in the guidelines of the~~
- 21 ~~authority, and in the case of a loan, grant, or other financial~~
- 22 ~~assistance awarded before July 1, 2023;~~
- 23 (2) **must:**
- 24 (A) **demonstrate that it has developed:**
- 25 (i) **an asset management program, as defined in the**
- 26 **guidelines of the authority; and**
- 27 (ii) **an estimate of the life cycle management costs, as**
- 28 **defined in the guidelines of the authority, that will be**
- 29 **incurred over the useful life of the asset to be financed**
- 30 **with the loan, grant, or other financial assistance;**
- 31 **not later than the time of submission of the participant's**
- 32 **preliminary engineering report for any project for which**
- 33 **the loan, grant, or other financial assistance would be**
- 34 **provided;**
- 35 (B) **report to the authority on an ongoing basis, at such**
- 36 **times as the authority shall prescribe, the actual life cycle**
- 37 **management costs incurred by the participant over the**
- 38 **useful life of the asset; and**
- 39 (C) **in the case of a participant that is not under the**
- 40 **jurisdiction of the Indiana utility regulatory commission,**
- 41 **must regularly report, at such times and in such manner as**
- 42 **the authority shall prescribe, to all:**



1 (i) customers;
 2 (ii) counties; and
 3 (iii) municipalities;
 4 within the participant's service territory such information
 5 concerning the participant's asset management program
 6 and utility asset life cycle management costs as the
 7 authority may require;
 8 in the case of a loan, grant, or other financial assistance
 9 awarded after June 30, 2023; and
 10 ~~(2)~~ (3) must demonstrate to the authority that it has a plan to
 11 participate with one (1) or more other participants in cooperative
 12 activities, which may include using the proceeds of the loan or
 13 grant to pay a part of the costs associated with a cooperative
 14 activity.
 15 (b) To receive a loan or grant from the water infrastructure
 16 assistance fund for purposes of cybersecurity, a participant must satisfy
 17 the same requirements that are established under this chapter for loans
 18 or grants for projects for other purposes.
 19 (c) A participant receiving a grant, loan, or other financial assistance
 20 from the water infrastructure assistance fund shall enter into a financial
 21 assistance agreement with the authority. A financial assistance
 22 agreement entered into under this section is a valid, binding, and
 23 enforceable agreement of the participant.
 24 (d) After receiving a loan or grant from the water infrastructure
 25 assistance fund, a participant must maintain its asset management
 26 program:
 27 (1) as long as the loan remains unpaid; or
 28 (2) during the useful life of the asset financed with the loan or
 29 grant.
 30 (e) In addition to meeting the other requirements established under
 31 this section, a participant must, if appropriate, conduct or participate in
 32 efforts to determine and eliminate the causes of non-revenue water in
 33 its water distribution system.
 34 (f) Notwithstanding any other law, the authority may establish and
 35 implement requirements that:
 36 (1) apply to loans and other financial assistance to be made to
 37 participants that are not political subdivisions; and
 38 (2) are different from, or in addition to, requirements that apply
 39 to loans and financial assistance made to political subdivisions.
 40 SECTION 8. IC 5-1.2-14-8.2, AS ADDED BY P.L.56-2019,
 41 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2022]: Sec. 8.2. (a) The authority shall establish a project



1 prioritization system for the purposes of awarding loans and grants
 2 from the water infrastructure assistance fund. The project prioritization
 3 system must be based on a model that includes at least the following
 4 variables:

- 5 (1) The effect of a project on **the environment and** public health
 6 and safety.
- 7 (2) The effect upon the user rates and charges of participants.
- 8 (3) The existence of plans for collaboration with other entities.
- 9 (4) The existence of a plan to measure and manage non-revenue
 10 water.
- 11 (5) Whether an applicant is employing other best practices as
 12 determined by the authority.

13 (b) The authority shall use the results of the project prioritization
 14 system established under subsection (a) to create a project priority list,
 15 and shall use the project priority list in awarding grants, loans, and
 16 other financial assistance under this chapter. The authority may adjust
 17 the project priority list established under this section:

- 18 (1) if the authority determines that unforeseen circumstances
 19 require an adjustment; or
- 20 (2) in case of an emergency.

21 SECTION 9. IC 5-1.2-14.5-4, AS ADDED BY P.L.154-2021,
 22 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2022]: Sec. 4. Money in the water infrastructure grant fund
 24 may be used to do the following:

- 25 (1) Provide grants, loans, and other financial assistance to or for
 26 the benefit of participants for:
 - 27 (A) the planning, designing, acquisition, construction,
 28 renovation, improvement, or expansion of water systems; and
 - 29 (B) other activities necessary or convenient to complete the
 30 tasks referred to in clause (A), regardless of whether the other
 31 activities are permitted by the federal Clean Water Act or the
 32 federal Safe Drinking Water Act.
- 33 (2) Provide grants, loans, or other financial assistance to or for the
 34 benefit of participants for:
 - 35 (A) the planning, designing, acquisition, construction,
 36 renovation, improvement, or expansion of wastewater or storm
 37 water collection and treatment systems; and
 - 38 (B) other activities necessary or convenient to complete the
 39 tasks referred to in clause (A), regardless of whether the other
 40 activities are permitted by the federal Clean Water Act or the
 41 federal Safe Drinking Water Act.
- 42 (3) **Provide grants, loans, or other financial assistance to or**



1 **for the benefit of participants for the planning, designing,**
 2 **acquisition, construction, renovation, improvement, or**
 3 **expansion of septic relief systems in accordance with**
 4 **guidelines of the authority.**

5 ~~(3)~~ **(4)** Provide grants, loans, or other financial assistance to or for
 6 the benefit of participants for any eligible activity (as defined in
 7 IC 5-1.2-2-23).

8 ~~(4)~~ **(5)** Provide grants to political subdivisions for tasks associated
 9 with the development and preparation of:

- 10 (A) long term control plans;
- 11 (B) use attainability analyses; and
- 12 (C) storm water management programs.

13 ~~(5)~~ **(6)** Undertake tasks associated with the development and
 14 preparation of water, wastewater, and storm water infrastructure
 15 and resource analyses.

16 ~~(6)~~ **(7)** Conduct all other activities that are permitted by the
 17 federal Clean Water Act or the federal Safe Drinking Water Act.

18 SECTION 10. IC 5-1.2-14.5-7, AS ADDED BY P.L.154-2021,
 19 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2022]: Sec. 7. (a) To receive a loan, grant, or other financial
 21 assistance from the water infrastructure grant fund, a participant:

22 (1) must ~~have~~ **demonstrate that it has developed or is in the**
 23 **process of developing** an asset management program, ~~that meets~~
 24 standards established by ~~as defined in the guidelines of the~~
 25 authority, ~~and in the case of a loan, grant, or other financial~~
 26 **assistance awarded before July 1, 2023;**

27 (2) must:

28 (A) demonstrate that it has developed:

- 29 (i) an asset management program, as defined in the
- 30 guidelines of the authority; and
- 31 (ii) an estimate of the life cycle management costs, as
- 32 defined in the guidelines of the authority, that will be
- 33 incurred over the useful life of the asset to be financed
- 34 with the loan, grant, or other financial assistance;

35 **not later than the time of submission of the participant's**
 36 **preliminary engineering report for any project for which**
 37 **the loan, grant, or other financial assistance would be**
 38 **provided;**

39 (B) report to the authority on an ongoing basis, at such
 40 times as the authority shall prescribe, the actual life cycle
 41 management costs incurred by the participant over the
 42 useful life of the asset; and



1 **(C) in the case of a participant that is not under the**
 2 **jurisdiction of the Indiana utility regulatory commission,**
 3 **must regularly report, at such times and in such manner as**
 4 **the authority shall prescribe, to all:**
 5 **(i) customers;**
 6 **(ii) counties; and**
 7 **(iii) municipalities;**
 8 **within the participant's service territory such information**
 9 **concerning the participant's asset management program**
 10 **and utility asset life cycle management costs as the**
 11 **authority may require;**
 12 **in the case of a loan, grant, or other financial assistance**
 13 **awarded after June 30, 2023; and**
 14 ~~(2)~~ **(3) must demonstrate to the authority that it has a plan to**
 15 participate with one (1) or more other participants in cooperative
 16 activities, which may include using the proceeds of the loan or
 17 grant to pay a part of the costs associated with a cooperative
 18 activity.
 19 (b) To receive a loan or grant from the water infrastructure grant
 20 fund for purposes of cybersecurity, a participant must satisfy the same
 21 requirements that are established under this chapter for loans or grants
 22 for projects for other purposes.
 23 (c) A participant receiving a grant, loan, or other financial assistance
 24 from the water infrastructure grant fund shall enter into an agreement
 25 with the authority. An agreement entered into under this section is a
 26 valid, binding, and enforceable agreement of the participant.
 27 (d) After receiving a loan or grant from the water infrastructure
 28 grant fund, a participant must maintain its asset management program
 29 during the useful life of the asset financed with the loan or grant.
 30 (e) In addition to meeting the other requirements established under
 31 this section, a participant must, if appropriate, conduct or participate in
 32 efforts to determine and eliminate the causes of non-revenue water in
 33 its water distribution system.
 34 (f) Notwithstanding any other law, the authority may establish and
 35 implement requirements that:
 36 (1) apply to grants, loans, and other financial assistance to be
 37 made to participants that are not political subdivisions; and
 38 (2) are different from, or in addition to, requirements that apply
 39 to grants, loans, and financial assistance made to political
 40 subdivisions.
 41 SECTION 11. IC 5-1.2-14.5-8, AS ADDED BY P.L.154-2021,
 42 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2022]: Sec. 8. (a) The authority shall establish a project
 2 prioritization system for the purposes of awarding loans and grants
 3 from the water infrastructure grant fund. The project prioritization
 4 system must be based on a model that includes at least the following
 5 variables:

6 (1) The effect of a project on **the environment and** public health
 7 and safety.

8 (2) The effect upon, and the affordability of, the user rates and
 9 charges of participants.

10 (3) The existence of plans for collaboration with other entities.

11 (4) The existence of a plan to measure and manage non-revenue
 12 water.

13 (5) Whether an applicant is employing other best practices as
 14 determined by the authority.

15 (6) Whether the project includes an expansion of storm water
 16 collection and treatment systems.

17 (b) The authority shall use the results of the project prioritization
 18 system established under subsection (a) to create a project priority list,
 19 and shall use the project priority list in awarding grants, loans, and
 20 other financial assistance under this chapter. The authority may adjust
 21 the project priority list established under this section:

22 (1) if the authority determines that unforeseen circumstances
 23 require an adjustment; or

24 (2) in case of an emergency.

25 SECTION 12. IC 8-1-1.9-5 IS ADDED TO THE INDIANA CODE
 26 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 27 1, 2022]: Sec. 5. (a) **This section applies to a wastewater utility that:**

28 (1) **is not subject to the jurisdiction of the commission for the**
 29 **approval of rates and charges; and**

30 (2) **has been issued one (1) or more enforcement orders after**
 31 **June 30, 2022.**

32 (b) **As used in this section, "department enforcement action"**
 33 **means an action of the department of environmental management**
 34 **commenced under IC 13-30-3.**

35 (c) **As used in this section, "enforcement order" means an order,**
 36 **including an agreed order under IC 13-30-3-3:**

37 (1) **resulting from a department enforcement action; and**

38 (2) **relating to environmental or health and human safety**
 39 **issues.**

40 (d) **As used in this section, "wastewater utility" means any of**
 41 **the following that provides wastewater service in Indiana:**

42 (1) **A public utility (as defined in IC 8-1-2-1(a)).**



- 1 **(2) A municipally owned utility (as defined in IC 8-1-2-1(h)).**
- 2 **(3) A not-for-profit utility (as defined in IC 8-1-2-125(a)).**
- 3 **(4) A cooperatively owned corporation.**
- 4 **(5) A conservancy district established under IC 14-33.**
- 5 **(6) A regional sewer district established under IC 13-26.**
- 6 **(e) The following apply to a wastewater utility that is subject to**
- 7 **this section:**
- 8 **(1) Upon the issuance of the first enforcement order with**
- 9 **respect to the wastewater utility, the commission shall:**
- 10 **(A) perform an informal review, using such procedures as**
- 11 **the commission may choose, of the rates and charges of the**
- 12 **wastewater utility to determine if the rates and charges are**
- 13 **sufficient to:**
- 14 **(i) operate and maintain the wastewater utility's**
- 15 **collection and treatment system; and**
- 16 **(ii) pay all obligations of the wastewater utility's**
- 17 **collection and treatment system; and**
- 18 **(B) determine whether all elements of an adequate asset**
- 19 **management program are in place with respect to the**
- 20 **wastewater utility's collection and treatment system.**
- 21 **In making a determination under clause (B), the commission**
- 22 **may consult with the drinking water and wastewater**
- 23 **infrastructure research and extension program authorized by**
- 24 **IC 5-1.2-11.5-10. Notwithstanding IC 8-1-1-5(b), commission**
- 25 **staff shall not be subject to cross examination in any**
- 26 **subsequent proceeding in connection with any documents**
- 27 **prepared during an informal review under this subdivision.**
- 28 **(2) If a second enforcement order is issued with respect to the**
- 29 **wastewater utility within two (2) years of the effective date of**
- 30 **the first enforcement order, the wastewater utility:**
- 31 **(A) shall undergo a base rate case before the commission;**
- 32 **and**
- 33 **(B) becomes subject to the jurisdiction of the commission**
- 34 **for the approval of rates and charges upon the effective**
- 35 **date of the second enforcement order.**
- 36 **After this first required rate case, the wastewater utility shall**
- 37 **undergo one (1) subsequent rate case before the commission**
- 38 **not earlier than three (3) years after the effective date of the**
- 39 **commission's order in the first rate case under this**
- 40 **subdivision. The wastewater utility shall remain subject to the**
- 41 **jurisdiction of the commission for the approval of rates and**
- 42 **charges for a minimum of five (5) years from the effective**



1 date of the commission's order in the first rate case under this
 2 subdivision and for at least one (1) year after the effective
 3 date of the commission's order in the second rate case under
 4 this subdivision. For purposes of determining rates and
 5 charges under this subdivision, if the wastewater utility also
 6 provides storm water services or is considered a combined
 7 sewer system, the commission may consider any revenues
 8 collected by the wastewater utility for storm water services.
 9 However, the commission may not order storm water rates to
 10 be adjusted.

11 (3) Notwithstanding IC 8-1-2.7, if the wastewater utility:

12 (A) satisfies the requirements set forth in subdivision (2);
 13 and

14 (B) is not issued any additional enforcement orders during
 15 the rate regulation period described in subdivision (2);
 16 the wastewater utility shall provide to the commission written
 17 notice to that effect. If the commission determines that the
 18 wastewater utility has satisfied the requirements set forth in
 19 subdivision (2) and has not been issued any additional
 20 enforcement orders during the rate regulation period
 21 described in subdivision (2), the wastewater utility shall be
 22 withdrawn from the commission's jurisdiction.

23 (4) If, during the rate regulation period described in
 24 subdivision (2):

25 (A) one (1) or more additional enforcement orders are
 26 issued with respect to the wastewater utility; or

27 (B) the commissioner of the department of environmental
 28 management otherwise determines that environmental or
 29 health and human safety considerations so warrant;
 30 the commission may, in consultation with the department of
 31 environmental management, initiate a receivership
 32 proceeding with respect to the wastewater utility.

33 (5) Subdivision (1) applies with respect to any enforcement
 34 order that is issued with respect to the wastewater utility after
 35 the completion of the rate regulation period described in
 36 subdivision (2).

37 (f) The commission may enter into an agreement with the
 38 department to carry out the requirements set forth in subsection
 39 (e).

40 (g) An action by the department of environmental management
 41 under this section is subject to review under IC 4-21.5.

42 (h) An action by the commission under this section is subject to



- 1 review under IC 8-1-3.
 2 SECTION 13. IC 20-32-4-15 IS ADDED TO THE INDIANA
 3 CODE AS A NEW SECTION TO READ AS FOLLOWS
 4 [EFFECTIVE JULY 1, 2022]: **Sec. 15. (a) The following definitions**
 5 **apply throughout this section:**
 6 (1) "Utility career cluster" means a list:
 7 (A) compiled for purposes of college and career pathways
 8 relating to career and technical education under section
 9 1.5(g) of this chapter; and
 10 (B) setting forth industries or occupational fields that:
 11 (i) are related to the provision of utility services; and
 12 (ii) share similar knowledge and skill training
 13 requirements.
 14 (2) "Utility services" includes:
 15 (A) production, transmission, or distribution of electricity;
 16 (B) acquisition, transportation, distribution, or storage of
 17 natural gas;
 18 (C) provision of communications service (as defined in
 19 IC 8-1-32.5-3);
 20 (D) treatment, storage, or distribution of water; and
 21 (E) collection or treatment of wastewater.
 22 (b) Not later than December 31, 2022:
 23 (1) the state board shall, for purposes of approving under
 24 section 1.5(g) of this chapter sequences of courses leading to
 25 student concentrators in industries or occupational fields
 26 related to the provision of utility services, approve a utility
 27 career cluster; and
 28 (2) the governor's workforce cabinet shall, in consultation
 29 with the state board, the department, and the department of
 30 workforce development, create one (1) or more course
 31 sequences:
 32 (A) each of which consists of courses approved by the state
 33 board for purposes of college and career pathways relating
 34 to career and technical education under section 1.5(g) of
 35 this chapter; and
 36 (B) each of which provides students with knowledge and
 37 skills necessary for employment in an industry or
 38 occupational field in the utility career cluster.
 39 (c) In creating one (1) or more course sequences under
 40 subsection (b)(2), the governor's workforce cabinet, in consultation
 41 with the state board, the department, and the department of
 42 workforce development, shall:



1 **(1) consider the impact of course sequences on the long term**
 2 **outcomes of students; and**
 3 **(2) prioritize course sequences that lead to high wage, high**
 4 **demand jobs.**
 5 SECTION 14. IC 20-32-4-16 IS ADDED TO THE INDIANA
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2022]: **Sec. 16. (a) This section applies to any:**
 8 **(1) career clusters approved or amended by the state board**
 9 **under this chapter after June 30, 2022; or**
 10 **(2) course sequences created or amended by the governor's**
 11 **workforce cabinet under this chapter after June 30, 2022.**
 12 **(b) The governor's workforce cabinet shall do the following:**
 13 **(1) Collect data each year regarding approved career clusters**
 14 **and course sequences to inform decision making around**
 15 **approving, creating, and amending current and future career**
 16 **clusters and course sequence requirements.**
 17 **(2) Prepare and submit, not later than November 1 of each**
 18 **year, a report to the legislative council in an electronic format**
 19 **under IC 5-14-6 regarding the data collected under**
 20 **subdivision (1).**
 21 SECTION 15. An emergency is declared for this act.



COMMITTEE REPORT

Madam President: The Senate Committee on Utilities, to which was referred Senate Bill No. 272, 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 6, line 36, delete "established" and insert "**authorized**".

Page 6, line 40, delete "water," and insert "**drinking water,**".

Page 7, delete lines 20 through 42, begin a new paragraph and insert:

"SECTION 2. IC 5-1.2-10-16, AS ADDED BY P.L.189-2018, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 16. (a) A loan or other financial assistance from either fund must be accompanied by the following:

(1) All papers and opinions required by the authority.

(2) Unless otherwise provided by the guidelines of the authority, the following:

(A) An approving opinion of nationally recognized bond counsel.

(B) A certification and guarantee of signatures.

(C) A certification that, as of the date of the loan or other financial assistance:

(i) no litigation is pending challenging the validity of or entry into the loan or other financial assistance or any security for the loan or other financial assistance; or

(ii) if litigation is pending, the litigation will not have a material adverse effect on the validity of the loan or other financial assistance or any security for the loan or other financial assistance.

(D) If litigation is pending, as an alternative to the certification described in clause (C), an opinion of legal counsel that the litigation will not have a material adverse effect on the validity of the loan or other financial assistance.

(E) Documentation demonstrating that the participant has the financial, managerial, technical, and legal capability of operating and maintaining its water or wastewater collection and treatment system.

(b) Each participant

(+) to which, or

(-) for the benefit of which:

(1) a loan, would be made grant, or the other financial assistance would be provided under this chapter is awarded before July 1,



2023, must demonstrate that it has developed or is in the process of developing an asset management program, as defined in the guidelines of the authority; **or**

(2) a loan, grant, or other financial is awarded after June 30, 2023:

(A) must demonstrate that it has developed:

(i) an asset management program, as defined in the guidelines of the authority; and

(ii) an estimate of the life cycle management costs, as defined in the guidelines of the authority, that will be incurred over the useful life of the asset to be financed with the loan, grant, or other financial assistance;

not later than the time of submission of the participant's preliminary engineering report for any project for which the loan, grant, or other financial assistance would be provided; and

(B) must report to the authority on an ongoing basis, at such times as the authority shall prescribe, the actual life cycle management costs incurred by the participant over the useful life of the asset.

SECTION 3. IC 5-1.2-11-6, AS ADDED BY P.L.189-2018, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 6. Money in the supplemental fund may be used to do the following:

(1) Provide grants, loans, or other financial assistance to or for the benefit of participants for the planning, designing, acquisition, construction, renovation, improvement, or expansion of the following:

(A) A public water system, whether or not those other activities are allowed by the federal Clean Water Act or the federal Safe Drinking Water Act.

(B) A wastewater or storm water collection and treatment system.

The money may be used to pay for other activities necessary or convenient to complete these tasks, regardless of whether those other activities are allowed by the federal Clean Water Act or the federal Safe Drinking Water Act.

(2) Provide grants, loans, or other financial assistance to political subdivisions for tasks associated with the development and preparation of:

(A) long term control plans;

(B) use attainability analyses; and



(C) storm water management programs.

(3) Provide grants, loans, or other financial assistance to or for the benefit of participants for the planning, designing, acquisition, construction, renovation, improvement, or expansion of septic relief systems in accordance with guidelines of the authority.

~~(3)~~ **(4)** Provide interest subsidies.

~~(4)~~ **(5)** Establish guaranties, reserves, or sinking funds, including guaranties, reserves, or sinking funds to secure and pay, in whole or in part, loans or other financial assistance made from sources other than the supplemental fund (including financial institutions) for a purpose allowed by subdivision (1).

~~(5)~~ **(6)** Pay financing charges, including interest on the loan or other financial assistance during construction and for a reasonable period after the completion of construction.

~~(6)~~ **(7)** Pay the cost of administering the supplemental fund and the supplemental program.

~~(7)~~ **(8)** Conduct all other activities that are allowed by the federal Clean Water Act or the federal Safe Drinking Water Act."

Page 8, delete lines 1 through 16.

Page 8, line 20, after "state's" insert "**drinking**".

Page 8, line 22, after "of" insert "**drinking**".

Page 8, line 27, delete "water," and insert "**drinking water,**".

Page 8, line 39, after "comprehensive" insert "**drinking**".

Page 8, line 40, after "in" insert "**drinking**".

Page 9, line 1, after "concerning" insert "**drinking**".

Page 9, line 4, after "to" insert "**drinking**".

Page 9, line 11, delete "shall" and insert "**may**".

Page 9, line 12, after "of, the" insert "**drinking**".

Page 9, line 13, delete "established" and insert "**authorized**".

Page 9, line 17, after "individual" insert "**drinking**".

Page 9, line 23, after "the" insert "**drinking**".

Page 9, line 24, delete "established" and insert "**authorized**".

Page 9, line 26, after "provides" insert "**drinking**".

Page 9, line 36, delete "There is established a" and insert "**A drinking**".

Page 9, line 37, after "program" insert "**may be established**".

Page 9, line 39, after "(1)" insert "**drinking**".

Page 10, line 1, after "maintenance," insert "**financial management,**".

Page 10, line 2, delete "shall" and insert "**may**".

Page 10, line 11, delete "shall" and insert "**may**".



Page 10, line 11, delete "funds" and insert "**existing funds**".

Page 10, line 13, delete "shall" and insert "**may**".

Page 10, line 14, after "provide" insert "**drinking**".

Page 10, line 26, after "by," insert "**drinking**".

Page 10, line 39, delete "offering" and insert "**offering, participating in,**".

Page 11, line 3, delete "water," and insert "**drinking water,**".

Page 11, line 13, delete "and" and insert "**and, if applicable,**".

Page 11, delete lines 18 through 42, begin a new paragraph and insert:

"SECTION 6. IC 5-1.2-14-4, AS AMENDED BY P.L.56-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 4. (a) Money in the water infrastructure assistance fund may be used to do the following:

(1) Provide grants, loans, and other financial assistance to or for the benefit of participants for:

(A) the planning, designing, acquisition, construction, renovation, improvement, or expansion of public water systems; and

(B) other activities necessary or convenient to complete the tasks referred to in clause (A) whether or not the other activities are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

(2) Provide grants, loans, or other financial assistance to or for the benefit of participants for:

(A) the planning, designing, acquisition, construction, renovation, improvement, or expansion of wastewater or storm water collection and treatment systems; and

(B) other activities necessary or convenient to complete the tasks referred to in clause (A) whether or not the other activities are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

(3) Provide grants, loans, or other financial assistance to or for the benefit of participants for the planning, designing, acquisition, construction, renovation, improvement, or expansion of septic relief systems in accordance with guidelines of the authority.

~~(3)~~ (4) Provide grants to political subdivisions for tasks associated with the development and preparation of:

(A) long term control plans;

(B) use attainability analyses; and

(C) storm water management programs.



~~(4)~~ (5) Undertake tasks associated with the development and preparation of water, wastewater, and storm water infrastructure and resource analyses.

~~(5)~~ (6) Conduct all other activities that are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

(b) The authority may make loans or provide other financial assistance from the water infrastructure assistance fund to or for the benefit of a participant to do any of the following:

(1) Establish guaranties, reserves, or sinking funds, including guaranties, reserves, or sinking funds to secure and pay, in whole or in part, loans or other financial assistance made from sources other than the fund (including financial institutions) for a purpose permitted by this chapter.

(2) Provide interest subsidies.

(3) Pay financing charges, including interest on the loan or other financial assistance:

(A) during design and construction of a water or wastewater infrastructure project based upon a viable financial plan; and

(B) for a reasonable period after the completion of construction.

SECTION 7. IC 5-1.2-14-8, AS AMENDED BY P.L.56-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 8. (a) To receive a loan, grant, or other financial assistance from the water infrastructure assistance fund, a participant:

(1) must ~~have~~ **demonstrate that it has developed or is in the process of developing** an asset management program, ~~that meets standards established by as defined in the guidelines of the authority, and in the case of a loan, grant, or other financial assistance awarded before July 1, 2023;~~

(2) must:

(A) **demonstrate that it has developed:**

(i) **an asset management program, as defined in the guidelines of the authority; and**

(ii) **an estimate of the life cycle management costs, as defined in the guidelines of the authority, that will be incurred over the useful life of the asset to be financed with the loan, grant, or other financial assistance;**

not later than the time of submission of the participant's preliminary engineering report for any project for which the loan, grant, or other financial assistance would be provided; and

(B) **report to the authority on an ongoing basis, at such**



times as the authority shall prescribe, the actual life cycle management costs incurred by the participant over the useful life of the asset;

in the case of a loan, grant, or other financial assistance awarded after June 30, 2023;

~~(2)~~ (3) must demonstrate to the authority that it has a plan to participate with one (1) or more other participants in cooperative activities, which may include using the proceeds of the loan or grant to pay a part of the costs associated with a cooperative activity; **and**

(4) in the case of a participant that is not under the jurisdiction of the Indiana utility regulatory commission, must regularly report, at such times and in such manner as the authority shall prescribe, to all:

(A) customers;

(B) counties; and

(C) municipalities;

within the participant's service territory such information concerning the participant's asset management program and utility asset life cycle management costs as the authority may require.

(b) To receive a loan or grant from the water infrastructure assistance fund for purposes of cybersecurity, a participant must satisfy the same requirements that are established under this chapter for loans or grants for projects for other purposes.

(c) A participant receiving a grant, loan, or other financial assistance from the water infrastructure assistance fund shall enter into a financial assistance agreement with the authority. A financial assistance agreement entered into under this section is a valid, binding, and enforceable agreement of the participant.

(d) After receiving a loan or grant from the water infrastructure assistance fund, a participant must maintain its asset management program:

(1) as long as the loan remains unpaid; or

(2) during the useful life of the asset financed with the loan or grant.

(e) In addition to meeting the other requirements established under this section, a participant must, if appropriate, conduct or participate in efforts to determine and eliminate the causes of non-revenue water in its water distribution system.

(f) Notwithstanding any other law, the authority may establish and implement requirements that:

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(1) apply to loans and other financial assistance to be made to participants that are not political subdivisions; and

(2) are different from, or in addition to, requirements that apply to loans and financial assistance made to political subdivisions.".

Page 12, delete lines 1 through 36.

Page 13, delete lines 18 through 42, begin a new paragraph and insert:

"SECTION 9. IC 5-1.2-14.5-4, AS ADDED BY P.L.154-2021, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 4. Money in the water infrastructure grant fund may be used to do the following:

(1) Provide grants, loans, and other financial assistance to or for the benefit of participants for:

(A) the planning, designing, acquisition, construction, renovation, improvement, or expansion of water systems; and

(B) other activities necessary or convenient to complete the tasks referred to in clause (A), regardless of whether the other activities are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

(2) Provide grants, loans, or other financial assistance to or for the benefit of participants for:

(A) the planning, designing, acquisition, construction, renovation, improvement, or expansion of wastewater or storm water collection and treatment systems; and

(B) other activities necessary or convenient to complete the tasks referred to in clause (A), regardless of whether the other activities are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

(3) Provide grants, loans, or other financial assistance to or for the benefit of participants for the planning, designing, acquisition, construction, renovation, improvement, or expansion of septic relief systems in accordance with guidelines of the authority.

~~(3)~~ (4) Provide grants, loans, or other financial assistance to or for the benefit of participants for any eligible activity (as defined in IC 5-1.2-2-23).

~~(4)~~ (5) Provide grants to political subdivisions for tasks associated with the development and preparation of:

(A) long term control plans;

(B) use attainability analyses; and

(C) storm water management programs.

~~(5)~~ (6) Undertake tasks associated with the development and



preparation of water, wastewater, and storm water infrastructure and resource analyses.

~~(6)~~ (7) Conduct all other activities that are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

SECTION 10. IC 5-1.2-14.5-7, AS ADDED BY P.L.154-2021, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 7. (a) To receive a loan, grant, or other financial assistance from the water infrastructure grant fund, a participant:

(1) must ~~have~~ **demonstrate that it has developed or is in the process of developing** an asset management program, ~~that meets standards established by as defined in the guidelines of the authority, and in the case of a loan, grant, or other financial assistance awarded before July 1, 2023;~~

(2) must:

(A) demonstrate that it has developed:

(i) an asset management program, as defined in the guidelines of the authority; and

(ii) an estimate of the life cycle management costs, as defined in the guidelines of the authority, that will be incurred over the useful life of the asset to be financed with the loan, grant, or other financial assistance;

not later than the time of submission of the participant's preliminary engineering report for any project for which the loan, grant, or other financial assistance would be provided; and

(B) report to the authority on an ongoing basis, at such times as the authority shall prescribe, the actual life cycle management costs incurred by the participant over the useful life of the asset;

in the case of a loan, grant, or other financial assistance awarded after June 30, 2023;

~~(2)~~ (3) must demonstrate to the authority that it has a plan to participate with one (1) or more other participants in cooperative activities, which may include using the proceeds of the loan or grant to pay a part of the costs associated with a cooperative activity; **and**

(4) **in the case of a participant that is not under the jurisdiction of the Indiana utility regulatory commission, must regularly report, at such times and in such manner as the authority shall prescribe, to all:**

(A) customers;

(B) counties; and



**(C) municipalities;
within the participant's service territory such information concerning the participant's asset management program and utility asset life cycle management costs as the authority may require.**

(b) To receive a loan or grant from the water infrastructure grant fund for purposes of cybersecurity, a participant must satisfy the same requirements that are established under this chapter for loans or grants for projects for other purposes.

(c) A participant receiving a grant, loan, or other financial assistance from the water infrastructure grant fund shall enter into an agreement with the authority. An agreement entered into under this section is a valid, binding, and enforceable agreement of the participant.

(d) After receiving a loan or grant from the water infrastructure grant fund, a participant must maintain its asset management program during the useful life of the asset financed with the loan or grant.

(e) In addition to meeting the other requirements established under this section, a participant must, if appropriate, conduct or participate in efforts to determine and eliminate the causes of non-revenue water in its water distribution system.

(f) Notwithstanding any other law, the authority may establish and implement requirements that:

- (1) apply to grants, loans, and other financial assistance to be made to participants that are not political subdivisions; and
- (2) are different from, or in addition to, requirements that apply to grants, loans, and financial assistance made to political subdivisions."

Page 14, delete lines 1 through 33.

Page 15, line 29, delete "IC 13-30-3-3, resulting from a" and insert **"IC 13-30-3-3:**

- (1) resulting from a department enforcement action; and**
- (2) relating to environmental or health and human safety issues."**

Page 15, delete line 30.

Page 16, line 1, delete "a summary" and insert **"an informal"**.

Page 16, line 13, after "the" insert **"drinking"**.

Page 16, line 15, after "IC 5-1.2-11.5-10." insert **"Notwithstanding IC 8-1-1-5(b), commission staff shall not be subject to cross examination in any subsequent proceeding in connection with any documents prepared during an informal review under this subdivision."**

Page 16, line 23, delete "commission's final order in the



proceeding." and insert "**second enforcement order.**".

Page 16, line 32, delete "subdivision." and insert "**subdivision and for at least one (1) year after the effective date of the commission's order in the second rate case under this subdivision. For purposes of determining rates and charges under this subdivision, if the wastewater utility also provides storm water services or is considered a combined sewer system, the commission may consider any revenues collected by the wastewater utility for storm water services. However, the commission may not order storm water rates to be adjusted.**".

Page 16, between lines 32 and 33, begin a new line block indented and insert:

"(3) Notwithstanding IC 8-1-2.7, if the wastewater utility:
(A) satisfies the requirements set forth in subdivision (2);
and
(B) is not issued any additional enforcement orders during the rate regulation period described in subdivision (2);
the wastewater utility shall provide to the commission written notice to that effect. If the commission determines that the wastewater utility has satisfied the requirements set forth in subdivision (2) and has not been issued any additional enforcement orders during the rate regulation period described in subdivision (2), the wastewater utility shall be withdrawn from the commission's jurisdiction."

Page 16, line 33, delete "(3)" and insert "(4)".

Page 16, line 33, delete "period of".

Page 17, line 1, delete "4" and insert "(5)".

Page 17, between lines 4 and 5, begin a new paragraph and insert:

"(f) The commission may enter into an agreement with the department to carry out the requirements set forth in subsection (e)."

Page 17, line 5, delete "(f) An action by the commission or" and insert "**(g) An action by**".

Page 17, between lines 7 and 8, begin a new paragraph and insert:

"(h) An action by the commission under this section is subject to review under IC 8-1-3."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 272 as introduced.)



KOCH, Chairperson

Committee Vote: Yeas 10, Nays 0.

 SENATE MOTION

Madam President: I move that Senate Bill 272 be amended to read as follows:

Page 8, line 13, after "financial" insert "**assistance**".

Page 8, line 25, delete "and".

Page 8, line 29, delete "asset." and insert "**asset; and**".

Page 8, between lines 29 and 30, begin a new line double block indented and insert:

"(C) in the case of a participant that is not under the jurisdiction of the Indiana utility regulatory commission, must regularly report, at such times and in such manner as the authority shall prescribe, to all:

(i) customers;

(ii) counties; and

(iii) municipalities;

within the participant's service territory such information concerning the participant's asset management program and utility asset life cycle management costs as the authority may require."

Page 14, line 23, delete "and".

Page 14, line 27, after "asset;" insert "**and**".

Page 14, between lines 27 and 28, begin a new line double block indented and insert:

"(C) in the case of a participant that is not under the jurisdiction of the Indiana utility regulatory commission, must regularly report, at such times and in such manner as the authority shall prescribe, to all:

(i) customers;

(ii) counties; and

(iii) municipalities;

within the participant's service territory such information concerning the participant's asset management program and utility asset life cycle management costs as the authority may require;"

Page 14, line 29, after "2023;" insert "**and**".

Page 14, line 34, delete "activity; and" and insert "activity.".

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Page 14, delete lines 35 through 42.

Page 15, delete lines 1 through 3.

Page 17, line 27, delete "and".

Page 17, line 31, after "asset;" insert "**and**".

Page 17, between lines 31 and 32, begin a new line double block indented and insert:

"(C) in the case of a participant that is not under the jurisdiction of the Indiana utility regulatory commission, must regularly report, at such times and in such manner as the authority shall prescribe, to all:

(i) customers;

(ii) counties; and

(iii) municipalities;

within the participant's service territory such information concerning the participant's asset management program and utility asset life cycle management costs as the authority may require;".

Page 17, line 33, after "2023;" insert "**and**".

Page 17, line 38, delete "activity; and" and insert "activity."

Page 17, delete lines 39 through 42.

Page 18, delete lines 1 through 7.

Page 20, line 12, delete "established" and insert "**authorized**".

Page 22, line 7, delete "services" and insert "**service**".

Page 22, line 42, delete "2022;" and insert "**2022**".

(Reference is to SB 272 as printed January 19, 2022.)

KOCH

COMMITTEE REPORT

Mr. Speaker: Your Committee on Utilities, Energy and Telecommunications, to which was referred Senate Bill 272, 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 8, line 8, strike "the".

and when so amended that said bill do pass.

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(Reference is to SB 272 as reprinted January 25, 2022.)

SOLIDAY

Committee Vote: yeas 11, nays 0.

