

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 2016 Regular Session of the General Assembly.

SENATE ENROLLED ACT No. 416

AN ACT to amend the Indiana Code concerning utilities.

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

SECTION 1. IC 4-4-10.9-1.2, AS AMENDED BY SEA 128-2017, SECTION 1, AND AS AMENDED BY SEA 507-2017, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1.2. "Affected statutes" means all statutes that grant a power to or impose a duty on the authority, including but not limited to IC 4-4-11, IC 4-4-11.6, IC 4-4-21, IC 4-10-19, IC 4-13.5, IC 5-1-16, IC 5-1-16.5, IC 5-1-17.5, IC 8-9.5, IC 8-14.5, IC 8-15, IC 8-15.5, IC 8-16, IC 13-18-13, IC 13-18-21, **IC 13-18-25**, IC 13-19-5, IC 14-14, and IC 14-28-5.

SECTION 2. IC 4-4-11-2, AS AMENDED BY SEA 128-2017, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) The legislature makes the following findings of fact:

- (1) That there currently exists in certain areas of the state critical conditions of unemployment, inadequate drinking water, inadequate wastewater and storm water management, or environmental pollution, including water pollution, air pollution, sewage and solid waste, radioactive waste, thermal pollution, radiation contamination, and noise pollution, and that these conditions may well exist, from time to time, in other areas of the state.
- (2) That in some areas of the state such conditions are chronic and of long standing and that without remedial measures they may

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become so in other areas of the state.

(3) That economic insecurity due to unemployment, inadequate drinking water, inadequate wastewater and storm water management, or environmental pollution is a menace to the health, safety, morals, and general welfare of not only the people of the affected areas but of the people of the entire state.

(4) That involuntary unemployment and its resulting burden of indigency falls with crushing force upon the unemployed worker and ultimately upon the state in the form of public assistance and unemployment compensation.

(5) That security against unemployment and the resulting spread of indigency and economic stagnation in the areas affected can best be provided by:

- (A) the promotion, attraction, stimulation, rehabilitation, and revitalization of industrial development projects, rural development projects, mining operations, and agricultural operations that involve the processing of agricultural products;
- (B) the promotion and stimulation of international exports; and
- (C) the education, both formal and informal, of people of all ages throughout the state by the promotion, attraction, construction, renovation, rehabilitation, and revitalization of and assistance to educational facility projects.

(6) That the present and prospective health, safety, morals, right to gainful employment, and general welfare of the people of the state require as a public purpose the provision of safe drinking water, the provision of wastewater and storm water management, the abatement or control of pollution, the promotion of increased educational enrichment (including cultural, intellectual, scientific, or artistic opportunities) for people of all ages through new, expanded, or revitalized educational facility projects or through assisting educational facility projects, and the promotion of employment creation or retention through development of new and expanded industrial development projects, rural development projects, mining operations, and agricultural operations that involve the processing of agricultural products.

(7) That there is a need to stimulate a larger flow of private investment funds from commercial banks, investment bankers, insurance companies, other financial institutions, and individuals into such industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products in the state.



(8) That the authority can encourage the making of loans or leases for creation or expansion of industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products, thus putting a larger portion of the private capital available in Indiana for investment to use in the general economic development of the state.

(9) That the issuance of bonds of the authority to create a financing pool for industrial development projects and carrying out the purposes of IC 13-18-13 and IC 13-18-21 promoting a substantial likelihood of opportunities for:

- (A) gainful employment;
- (B) business opportunities;
- (C) educational enrichment (including cultural, intellectual, scientific, or artistic opportunities);
- (D) the abatement, reduction, or prevention of pollution;
- (E) the provision of safe drinking water;
- (F) the provision of wastewater and storm water management;
- (G) the removal or treatment of any substances in materials being processed that otherwise would cause pollution when used; or
- (H) increased options for and availability of child care;

will improve the health, safety, morals, and general welfare of the people of the state and constitutes a public purpose for which the authority shall exist and operate.

(10) That the issuance of bonds of the authority to create a funding source for the making of guaranteed participating loans will promote and encourage an expanding international exports market and international exports sales and will promote the general welfare of all of the people of Indiana by assisting Indiana businesses through stimulation of the expansion of international exports sales for Indiana products and services, especially those of small and medium-sized businesses, by providing financial assistance through the authority.

(b) The Indiana finance authority shall exist and operate for the public purposes of:

- (1) promoting opportunities for gainful employment and business opportunities by the promotion and development of industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products, in any areas of the state;



(2) promoting the educational enrichment (including cultural, intellectual, scientific, or artistic opportunities) of all the people of the state by the promotion, development, and assistance of educational facility projects;

(3) promoting affordable farm credit and agricultural loan financing at interest rates that are consistent with the needs of borrowers for farming and agricultural enterprises;

(4) preventing and remediating environmental pollution, including water pollution, air pollution, sewage and solid waste disposal, radioactive waste, thermal pollution, radiation contamination, and noise pollution affecting the health and well-being of the people of the state by:

(A) the promotion and development of industrial development projects; and

(B) carrying out the purposes of IC 13-18-13, ~~and~~ IC 13-18-21, **and IC 13-18-25;**

(5) promoting the provision of safe and adequate drinking water, **helping to upgrade deteriorating infrastructure,** and **promoting** wastewater and storm water management to positively affect the public health and well-being by carrying out the purposes of IC 13-18-13, ~~and~~ IC 13-18-21, **and IC 13-18-25;**

(6) otherwise positively affecting the public health and well-being by carrying out the purposes of IC 13-18-13, ~~and~~ IC 13-18-21, **and IC 13-18-25;**

(7) promoting affordable and accessible child care for the people of the state by the promotion and development of child care facilities;

(8) carrying out the purposes of IC 5-1-17.5 concerning a motorsports investment district;

(9) administering a local infrastructure revolving fund established under IC 4-10-19; and

(10) administering a regional development authority infrastructure fund established under IC 36-9-43-9.

SECTION 3. IC 4-4-11-15, AS AMENDED BY P.L.98-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 15. (a) The authority is granted all powers necessary or appropriate to carry out and effectuate its public and corporate purposes under the affected statutes, including but not limited to the following:

(1) Have perpetual succession as a body politic and corporate and an independent instrumentality exercising essential public functions.



(2) Without complying with IC 4-22-2, adopt, amend, and repeal bylaws, rules, guidelines, and policies not inconsistent with the affected statutes, and necessary or convenient to regulate its affairs and to carry into effect the powers, duties, and purposes of the authority and conduct its business under the affected statutes. These bylaws, rules, guidelines, and policies must be made by a resolution of the authority introduced at one (1) meeting and approved at a subsequent meeting of the authority.

(3) Sue and be sued in its own name.

(4) Have an official seal and alter it at will.

(5) Maintain an office or offices at a place or places within the state as it may designate.

(6) Make, execute, and enforce contracts and all other instruments necessary, convenient, or desirable for the purposes of the authority or pertaining to:

(A) a purchase, acquisition, or sale of securities or other investments; or

(B) the performance of the authority's duties and execution of any of the authority's powers under the affected statutes.

(7) Employ architects, engineers, attorneys, inspectors, accountants, agriculture experts, silviculture experts, aquaculture experts, and financial experts, and such other advisors, consultants, and agents as may be necessary in its judgment and to fix their compensation.

(8) Procure insurance against any loss in connection with its property and other assets, including loans and loan notes in amounts and from insurers as it may consider advisable.

(9) Borrow money, make guaranties, issue bonds, and otherwise incur indebtedness for any of the authority's purposes, and issue debentures, notes, or other evidences of indebtedness, whether secured or unsecured, to any person, as provided by the affected statutes. Notwithstanding any other law, the:

(A) issuance by the authority of any indebtedness that establishes a procedure for the authority or a person acting on behalf of the authority to certify to the general assembly the amount needed to restore a debt service reserve fund or another fund to required levels; or

(B) execution by the authority of any other agreement that creates a moral obligation of the state to pay all or part of any indebtedness issued by the authority;

is subject to review by the budget committee and approval by the budget director.



(10) Procure insurance or guaranties from any public or private entities, including any department, agency, or instrumentality of the United States, for payment of any bonds issued by the authority, including the power to pay premiums on any insurance or reinsurance.

(11) Purchase, receive, take by grant, gift, devise, bequest, or otherwise, and accept, from any source, aid or contributions of money, property, labor, or other things of value to be held, used, and applied to carry out the purposes of the affected statutes, subject to the conditions upon which the grants or contributions are made, including but not limited to gifts or grants from any department, agency, or instrumentality of the United States, and lease or otherwise acquire, own, hold, improve, employ, use, and otherwise deal in and with real or personal property or any interest in real or personal property, wherever situated, for any purpose consistent with the affected statutes.

(12) Enter into agreements with any department, agency, or instrumentality of the United States or this state and with lenders and enter into loan agreements, sales contracts, and leases with contracting parties, including participants (as defined in IC 13-11-2-151.1) for any purpose permitted under IC 13-18-13, ~~or~~ IC 13-18-21, **or IC 13-18-25**, borrowers, lenders, developers, or users, for the purpose of planning, regulating, and providing for the financing and refinancing of any agricultural enterprise (as defined in IC 5-28-31-1), rural development project (as defined in IC 5-28-31-20), industrial development project, purpose permitted under IC 13-18-13, ~~and~~ IC 13-18-21, **and IC 13-18-25**, or international exports, and distribute data and information concerning the encouragement and improvement of agricultural enterprises and agricultural employment, rural development projects, industrial development projects, international exports, and other types of employment in the state undertaken with the assistance of the authority under this chapter.

(13) Enter into contracts or agreements with lenders and lessors for the servicing and processing of loans and leases pursuant to the affected statutes.

(14) Provide technical assistance to local public bodies and to profit and nonprofit entities in the development or operation of agricultural enterprises, rural development projects, and industrial development projects.

(15) To the extent permitted under its contract with the holders of the bonds of the authority, consent to any modification with



respect to the rate of interest, time, and payment of any installment of principal or interest, or any other term of any contract, loan, loan note, loan note commitment, contract, lease, or agreement of any kind to which the authority is a party.

(16) To the extent permitted under its contract with the holders of bonds of the authority, enter into contracts with any lender containing provisions enabling it to reduce the rental or carrying charges to persons unable to pay the regular schedule of charges when, by reason of other income or payment by any department, agency, or instrumentality of the United States of America or of this state, the reduction can be made without jeopardizing the economic stability of the agricultural enterprise, rural development project, or industrial development project being financed.

(17) Notwithstanding IC 5-13, but subject to the requirements of any trust agreement entered into by the authority, invest:

- (A) the authority's money, funds, and accounts;
- (B) any money, funds, and accounts in the authority's custody; and
- (C) proceeds of bonds or notes;

in the manner provided by an investment policy established by resolution of the authority.

(18) Fix and revise periodically, and charge and collect, fees and charges as the authority determines to be reasonable in connection with:

- (A) the authority's loans, guarantees, advances, insurance, commitments, and servicing; and
- (B) the use of the authority's services or facilities.

(19) Cooperate and exchange services, personnel, and information with any federal, state, or local government agency, or instrumentality of the United States or this state.

(20) Sell, at public or private sale, with or without public bidding, any loan or other obligation held by the authority.

(21) Enter into agreements concerning, and acquire, hold, and dispose by any lawful means, land or interests in land, building improvements, structures, personal property, franchises, patents, accounts receivable, loans, assignments, guarantees, and insurance needed for the purposes of the affected statutes.

(22) Take assignments of accounts receivable, loans, guarantees, insurance, notes, mortgages, security agreements securing notes, and other forms of security, attach, seize, or take title by foreclosure or conveyance to any industrial development project



when a guaranteed loan thereon is clearly in default and when in the opinion of the authority such acquisition is necessary to safeguard the industrial development project guaranty fund, and sell, or on a temporary basis, lease or rent such industrial development project for any use.

(23) Expend money provided to the authority by the Indiana economic development corporation from the industrial development project guaranty fund created by IC 5-28-30, subject to the terms of any agreement with the Indiana economic development corporation governing the expenditure of that money.

(24) Purchase, lease as lessee, construct, remodel, rebuild, enlarge, or substantially improve industrial development projects, including land, machinery, equipment, or any combination thereof.

(25) Lease industrial development projects to users or developers, with or without an option to purchase.

(26) Sell industrial development projects to users or developers, for consideration to be paid in installments or otherwise.

(27) Make direct loans from the proceeds of the bonds to users or developers for:

(A) the cost of acquisition, construction, or installation of industrial development projects, including land, machinery, equipment, or any combination thereof; or

(B) eligible expenditures for an educational facility project described in IC 4-4-10.9-6.2(a)(2);

with the loans to be secured by the pledge of one (1) or more bonds, notes, warrants, or other secured or unsecured debt obligations of the users or developers.

(28) Lend or deposit the proceeds of bonds to or with a lender for the purpose of furnishing funds to such lender to be used for making a loan to a developer or user for the financing of industrial development projects under this chapter.

(29) Enter into agreements with users or developers to allow the users or developers, directly or as agents for the authority, to wholly or partially construct industrial development projects to be leased from or to be acquired by the authority.

(30) Establish reserves from the proceeds of the sale of bonds, other funds, or both, in the amount determined to be necessary by the authority to secure the payment of the principal and interest on the bonds.

(31) Adopt rules and guidelines governing its activities authorized



under the affected statutes.

(32) Use the proceeds of bonds to make guaranteed participating loans.

(33) Purchase, discount, sell, and negotiate, with or without guaranty, notes and other evidences of indebtedness.

(34) Sell and guarantee securities.

(35) Make guaranteed participating loans under IC 4-4-21-26.

(36) Procure insurance to guarantee, insure, coinsure, and reinsure against political and commercial risk of loss, and any other insurance the authority considers necessary, including insurance to secure the payment of principal and interest on notes or other obligations of the authority.

(37) Provide performance bond guarantees to support eligible export loan transactions, subject to the terms of the affected statutes.

(38) Provide financial counseling services to Indiana exporters.

(39) Accept gifts, grants, or loans from, and enter into contracts or other transactions with, any federal or state agency, municipality, private organization, or other source.

(40) Sell, convey, lease, exchange, transfer, or otherwise dispose of property or any interest in property, wherever the property is located.

(41) Cooperate with other public and private organizations to promote export trade activities in Indiana.

(42) Cooperate with the Indiana economic development corporation in taking any actions necessary for the administration of the agricultural loan and rural development project guarantee fund established by IC 5-28-31.

(43) In cooperation with the Indiana economic development corporation, take assignments of notes and mortgages and security agreements securing notes and other forms of security, and attach, seize, or take title by foreclosure or conveyance to any agricultural enterprise or rural development project when a guaranteed loan to the enterprise or rural development project is clearly in default and when in the opinion of the Indiana economic development corporation the acquisition is necessary to safeguard the agricultural loan and rural development project guarantee fund, and sell, or on a temporary basis, lease or rent the agricultural enterprise or rural development project for any use.

(44) Expend money provided to the authority by the Indiana economic development corporation from the agricultural loan and rural development project guarantee fund created by IC 5-28-31,



subject to the terms of any agreement with the Indiana economic development corporation governing the expenditure of that money.

(45) Reimburse from bond proceeds expenditures for industrial development projects under this chapter.

(46) Acquire, hold, use, and dispose of the authority's income, revenues, funds, and money.

(47) Purchase, acquire, or hold debt securities or other investments for the authority's own account at prices and in a manner the authority considers advisable, and sell or otherwise dispose of those securities or investments at prices without relation to cost and in a manner the authority considers advisable.

(48) Fix and establish terms and provisions with respect to:

(A) a purchase of securities by the authority, including dates and maturities of the securities;

(B) redemption or payment before maturity; and

(C) any other matters that in connection with the purchase are necessary, desirable, or advisable in the judgment of the authority.

(49) To the extent permitted under the authority's contracts with the holders of bonds or notes, amend, modify, and supplement any provision or term of:

(A) a bond, a note, or any other obligation of the authority; or

(B) any agreement or contract of any kind to which the authority is a party.

(50) Subject to the authority's investment policy, do any act and enter into any agreement pertaining to a swap agreement (as defined in IC 8-9.5-9-4) related to the purposes of the affected statutes in accordance with IC 8-9.5-9-5 and IC 8-9.5-9-7, whether the action is incidental to the issuance, carrying, or securing of bonds or otherwise.

(51) Do any act necessary or convenient to the exercise of the powers granted by the affected statutes, or reasonably implied from those statutes, including but not limited to compliance with requirements of federal law imposed from time to time for the issuance of bonds.

(b) The authority's powers under this chapter shall be interpreted broadly to effectuate the purposes of this chapter and may not be construed as a limitation of powers. The omission of a power from the list in subsection (a) does not imply that the authority lacks that power. The authority may exercise any power that is not listed in subsection (a) but is consistent with the powers listed in subsection (a) to the



extent that the power is not expressly denied by the Constitution of the State of Indiana or by another statute.

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

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

SECTION 4. IC 4-4-11-15.4, AS AMENDED BY SEA 128-2017, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 15.4. (a) The authority may issue bonds or notes and invest or loan the proceeds of those bonds or notes to a participant (as defined in IC 13-11-2-151.1 or IC 4-10-19-1.8, as applicable) for the purposes of:

- (1) the wastewater revolving loan program established by IC 13-18-13-1;
- (2) the drinking water revolving loan program established by IC 13-18-21-1; ~~and~~
- (3) the local infrastructure revolving loan funds established under IC 4-10-19-3;
- (4) the supplemental drinking water and wastewater assistance program established by IC 13-18-21-21; and**
- (5) the infrastructure assistance program established by IC 13-18-25-1.**

(b) If the authority loans money to or purchases debt securities of a political subdivision (as defined in IC 13-11-2-164(a) and IC 13-11-2-164(b)), the authority may, by the resolution approving the bonds or notes, provide that subsection (c) is applicable to the political subdivision.

(c) Notwithstanding any other law, to the extent that any department or agency of the state, including the treasurer of state, is the custodian of money payable to the political subdivision (other than for goods or services provided by the political subdivision), at any time after written notice to the department or agency head from the authority that the political subdivision is in default on the payment of principal or interest on the obligations then held or owned by or arising from an agreement



with the authority, the department or agency shall withhold the payment of that money from that political subdivision and pay over the money to the authority for the purpose of paying principal of and interest on bonds or notes of the authority. However, the withholding of payment from the political subdivision and payment to the authority under this section must not adversely affect the validity of the obligation in default.

(d) This subsection applies to securities of a political subdivision acquired by the authority, or arising from an agreement entered into with the authority, after June 30, 2017. Upon receiving notice from the authority that the political subdivision has failed to pay when due the principal or interest on the obligations of the political subdivision then held or owned by or arising from an agreement with the authority, the fiscal officer (as defined in IC 36-1-2-7) of the county, for any county in which the political subdivision is wholly or partially located, shall do the following:

(1) Reduce the amount of any revenues or other money or property that:

(A) is held, possessed, maintained, controlled, or otherwise in the custody of the county or a department, an agency, or an instrumentality of the county; and

(B) would otherwise be available for distribution to the political subdivision under any other law;

by an amount equal to the amount of the political subdivision's unpaid obligations.

(2) Pay the amount by which the revenues or other money or property is reduced under subdivision (1) to the authority to pay the principal of and interest on bonds or other obligations of the authority.

(3) Notify the political subdivision that the revenues or other money or property, which would otherwise be available for distribution to the political subdivision, has been reduced by an amount necessary to satisfy all or part of the political subdivision's unpaid obligations to the authority.

(e) This subsection applies to securities of a political subdivision acquired by the authority, or arising from an agreement with the authority, that is covered by subsection (d). A reduction under subsection (d) must be made as follows:

(1) First, from local income tax distributions under IC 6-3.6-9 that would otherwise be distributed to the political subdivision under the schedules in IC 6-3.6-9-12 and IC 6-3.6-9-16.

(2) Second, from any other revenues or other money or property



that:

(A) is held, possessed, maintained, or controlled by, or otherwise in the custody of, the county or a department, an agency, or an instrumentality of the county; and

(B) would otherwise be available for distribution to the political subdivision under any other law.

SECTION 5. IC 4-4-11-40, AS AMENDED BY P.L.235-2005, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 40. Except as provided in IC 13-18-13, ~~or~~ IC 13-18-21, **or IC 13-18-25**, all income and assets of the authority are for its own use without appropriation, but shall revert to the state general fund if the authority by resolution transfers money to the state general fund or if the authority is dissolved.

SECTION 6. IC 4-4-11-44.6, AS ADDED BY P.L.235-2005, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 44.6. (a) For purposes of this section, "program" refers to:

(1) a program defined in IC 13-11-2-172(a) through IC 13-11-2-172(b); ~~and~~

(2) the supplemental drinking water and wastewater assistance program established by IC 13-18-21-21; ~~or~~

(3) the infrastructure assistance program established by IC 13-18-25-1.

(b) Notwithstanding any statute applicable to or constituting any limitation on the investment or reinvestment of funds by or on behalf of political subdivisions:

(1) a participant receiving financial assistance in connection with a program may invest and reinvest funds that constitute, replace, or substitute for the proceeds of bonds or other evidence of indebtedness sold to the authority under the program, together with any account or reserves of a participant not funded with the proceeds of the bonds or other evidence of indebtedness purchased by the authority but which secure or provide payment for those bonds or other evidence of indebtedness, in any instrument or other investment authorized under a resolution of the authority; and

(2) a participant that is obligated to make payments on bonds or other evidence of indebtedness purchased in connection with the operation of a program may invest and reinvest funds that constitute, replace, or substitute for the proceeds of those bonds or other evidence of indebtedness, together with any account or reserves of a participant not funded with the proceeds of the



bonds or other evidence of indebtedness purchased under the program but which secure or provide payment for those bonds or other evidence of indebtedness, in any instrument or other investment authorized under a resolution of the authority.

SECTION 7. IC 4-4-11.7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 11.7. Monitoring, Study, and Assessment by Indiana Finance Authority

Sec. 1. As used in this chapter, "authority" refers to the Indiana finance authority established by IC 4-4-11.

Sec. 2. As used in this chapter, "governmental requirement" means a requirement imposed on a utility by a governmental unit in connection with:

- (1) the federal Clean Water Act (33 U.S.C. 1251 et seq.);
- (2) the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.); or
- (3) any other law, order, rule, or regulation administered or issued by the United States Environmental Protection Agency, the department of environmental management, or the department of natural resources in connection with the federal Clean Water Act or the federal Safe Drinking Water Act.

Sec. 3. As used in this chapter, "utility" means:

- (1) a public utility (as defined in IC 8-1-2-1(a));
- (2) a municipally owned utility (as defined in IC 8-1-2-1(h)); or
- (3) a not-for-profit utility (as defined in IC 8-1-2-125(a));

that provides water or wastewater service to the public.

Sec. 4. The authority shall monitor and study events and conditions that bear upon the ability of utilities to provide clean and safe drinking water in Indiana for the foreseeable future, including the ability of utilities to directly or indirectly fund the increasing costs of meeting governmental requirements.

Sec. 5. The powers of the authority under section 4 of this chapter include the following:

- (1) Assessing issues related to service line ownership and replacement.
- (2) Assessing the challenges that utilities are likely to encounter as they become subject to more stringent governmental requirements.
- (3) Studying cost recovery mechanisms that enable utilities to



respond quickly to system needs.

(4) Monitoring the growing costs for utilities in complying with consent decrees related to governmental requirements.

(5) Studying regional water ownership issues, including cross-border issues.

SECTION 8. IC 8-1-1-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 16. (a) As used in this section, "commission" refers to the Indiana utility regulatory commission created by section 2 of this chapter.

(b) As used in this section, "governmental requirement" means a requirement imposed on a utility by a governmental unit in connection with:

(1) the federal Clean Water Act (33 U.S.C. 1251 et seq.);

(2) the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.); or

(3) any other law, order, rule, or regulation administered or issued by the United States Environmental Protection Agency, the department of environmental management, or the department of natural resources in connection with the federal Clean Water Act or the federal Safe Drinking Water Act.

(c) As used in this section, "utility" means:

(1) a public utility (as defined in IC 8-1-2-1(a));

(2) a municipally owned utility (as defined in IC 8-1-2-1(h)); or

(3) a not-for-profit utility (as defined in IC 8-1-2-125(a));

that provides water or wastewater service to the public and is under the jurisdiction of the commission for the approval of rates and charges.

(d) In its deliberations in a general rate case of a utility, the commission shall consider governmental requirements and their effect upon the utility's operational expenses.

SECTION 9. IC 8-1-2-46 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 46. (a) The commission shall provide for a comprehensive classification of such service for each public utility and such classification may take into account the quantity used, the time when used, the purpose for which used and other reasonable consideration. Each public utility is required to conform its schedules of rates, tolls, and charges to such classification.

(b) As used in this section, "water or wastewater utility" means:

(1) a public utility, as defined in section 1(a) of this chapter;



(2) a municipally owned utility, as defined in section 1(h) of this chapter; or

(3) a not-for-profit utility, as defined in section 125(a) of this chapter;

that provides water or wastewater service to the public.

(c) Upon request by a water or wastewater utility in a general rate case, the commission may allow, but may not require, a water or wastewater utility to establish a customer assistance program that:

(1) uses state or federal infrastructure funds; or

(2) provides financial relief to residential customers who qualify for income related assistance.

A customer assistance program established under this subsection that affects rates and charges for service is not discriminatory for purposes of this chapter or any other law regulating rates and charges for service. In considering whether to approve a water or wastewater utility's proposed customer assistance program, the commission shall determine that a customer assistance program established under this subsection furthers the interests set forth in section 0.5 of this chapter and is in the public interest.

(d) The commission shall adopt rules under IC 4-22-2 to implement this section.

SECTION 10. IC 8-1-2.7-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 15.5. (a) This section applies to a utility that is described in section 1.3(a)(1)(B) of this chapter that has properly withdrawn from commission jurisdiction under this chapter.

(b) As used in this section, "committee" refers to a policy review committee established under this section.

(c) A policy review committee may be established for a utility if the lesser of:

(1) one hundred (100); or

(2) more than fifty percent (50%);

of the utility's customers file, individually or collectively, with the utility's board of directors, a verified petition under subsection (d) to establish the committee.

(d) A petition under this section must provide for the following:

(1) A procedure for establishing districts within the utility's service territory and for electing members, who must be customers of the utility residing within the established districts, to serve as members of the committee.



(2) The terms of the members of the committee.
(3) Procedures by which the committee is authorized to do the following:

(A) Receive complaints from customers of the utility concerning:

- (i) rules and policies established by the utility's board of directors;**
- (ii) the utility's rates and charges;**
- (iii) utility service quality; or**
- (iv) other matters concerning the utility's operations, management, or service, as specifically set forth in the petition.**

(B) Attempt to negotiate a resolution with the utility's board of directors with respect to a complaint received under clause (A).

(C) Seek mediation to be overseen by the office of the attorney general with respect to complaints that are not resolved through negotiations described in clause (B).

(4) Other matters that the petitioners consider appropriate with respect to the utility's operations, management, or service.

(e) The attorney general may adopt rules under IC 4-22-2, including emergency rules in the manner provided under IC 4-22-2-37.1, to implement this section.

SECTION 11. IC 8-1-30.7-7, AS ADDED BY P.L.102-2016, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. As used in this chapter, "water related state agency" means any of the following:

- (1) The Indiana finance authority established by IC 4-4-11.
- (2) The department of administration created by IC 4-13-1-2.
- (3) The commission.
- (4) The office of utility consumer counselor created by IC 8-1-1.1-2.
- (5) The department of environmental management established by IC 13-13-1-1.
- (6) The department of natural resources created by IC 14-9-1-1.
- (7) The state department of health established by IC 16-19-1-1.
- (8) The Indiana geological **and water** survey established as a part of Indiana University by IC 21-47-2.
- (9) The Indiana Water Resource Research Center of Purdue University.
- (10) The state department of agriculture established by



IC 15-11-2-1.

SECTION 12. IC 13-11-2-16, AS AMENDED BY P.L.235-2005, SECTION 126, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 16. (a) "Authority", for purposes of IC 13-22-10, refers to the Indiana hazardous waste facility site approval authority.

(b) "Authority", for purposes of IC 13-18-13, IC 13-18-21, **IC 13-18-25**, and IC 13-19-5, refers to the Indiana finance authority created under IC 4-4-11.

SECTION 13. IC 13-11-2-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 29. "Clean Water Act", for purposes of this chapter, IC 13-18-13, IC 13-18-22, ~~and~~ IC 13-18-23, **and IC 13-18-25**, refers to:

- (1) 33 U.S.C. 1251 et seq.; and
- (2) regulations adopted under 33 U.S.C. 1251 et seq.

SECTION 14. IC 13-11-2-83, AS AMENDED BY P.L.235-2005, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 83. (a) "Financial assistance agreement", for purposes of IC 13-18-13, refers to an agreement between:

- (1) the Indiana finance authority; and
- (2) a participant under IC 13-18-13;

establishing the terms and conditions of a loan or other financial assistance, including forgiveness of principal if allowed under federal law, by the state to the participant under that chapter.

(b) "Financial assistance agreement", for purposes of IC 13-19-5, means an agreement between the authority and a political subdivision that:

- (1) is approved by the budget agency; and
- (2) establishes the terms and conditions of a loan or other financial assistance by the state to the political subdivision.

(c) "Financial assistance agreement", for purposes of IC 13-18-21, refers to an agreement between:

- (1) the Indiana finance authority; and
- (2) a participant under IC 13-18-21;

establishing the terms and conditions of a loan or other financial assistance, including forgiveness of principal if allowed under federal law, by the state to the participant under IC 13-18-21.

(d) "Financial assistance agreement", for purposes of IC 13-18-25, refers to an agreement between:

- (1) the Indiana finance authority; and**
- (2) a participant under IC 13-18-25;**



establishing the terms and conditions of a loan or other financial assistance, including forgiveness of principal.

SECTION 15. IC 13-11-2-87, AS AMENDED BY P.L.96-2016, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 87. (a) "Fund", for purposes of IC 13-14-12, refers to the environmental management special fund.

(b) "Fund", for purposes of IC 13-15-10, refers to the waste facility operator trust fund.

(c) "Fund", for purposes of IC 13-15-11, refers to the environmental management permit operation fund.

(d) "Fund", for purposes of IC 13-17-6, refers to the asbestos trust fund.

(e) "Fund", for purposes of IC 13-17-8, refers to the Title V operating permit program trust fund.

(f) "Fund", for purposes of IC 13-18-8-5, refers to a sanitary fund.

(g) "Fund", for purposes of IC 13-18-13, refers to the wastewater revolving loan fund established by IC 13-18-13-2.

(h) "Fund", for purposes of IC 13-18-21, refers to the drinking water revolving loan fund established by IC 13-18-21-2. The term does not include the supplemental fund established by IC 13-18-21-22.

(i) "Fund", for purposes of IC 13-18-25, refers to the infrastructure assistance fund established by IC 13-18-25-2.

~~(j)~~ **(j)** "Fund", for purposes of IC 13-19-5, refers to the environmental remediation revolving loan fund established by IC 13-19-5-2.

~~(k)~~ **(k)** "Fund", for purposes of IC 13-20-4, refers to the municipal waste transportation fund.

~~(l)~~ **(l)** "Fund", for purposes of IC 13-20-13, refers to the waste tire management fund.

~~(m)~~ **(m)** "Fund", for purposes of IC 13-20-22, refers to the state solid waste management fund.

~~(n)~~ **(n)** "Fund", for purposes of IC 13-21-7, refers to the waste management district bond fund.

~~(o)~~ **(o)** "Fund", for purposes of IC 13-21-13-2, refers to a district solid waste management fund.

~~(p)~~ **(p)** "Fund", for purposes of IC 13-23-6, refers to the underground petroleum storage tank trust fund.

~~(q)~~ **(q)** "Fund", for purposes of IC 13-23-7 and IC 13-23-8, refers to the underground petroleum storage tank excess liability trust fund (or ELTF).

~~(r)~~ **(r)** "Fund", for purposes of IC 13-25-4, refers to the hazardous substances response trust fund.



~~(r)~~ (s) "Fund", for purposes of IC 13-25-5, refers to the voluntary remediation fund.

~~(s)~~ (t) "Fund", for purposes of IC 13-28-2, refers to the voluntary compliance fund.

SECTION 16. IC 13-11-2-151.1, AS AMENDED BY P.L.235-2005, SECTION 128, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 151.1. "Participant" means the following:

(1) For purposes of IC 13-18-13:

(A) a political subdivision; or

(B) any person, entity, association, trust, or other manner of participant permitted by law to enter contractual arrangements for a purpose eligible for assistance under the Clean Water Act.

(2) For purposes of the drinking water revolving loan program under IC 13-18-21:

(A) a political subdivision; or

(B) any person, entity, association, trust, or other manner of participant permitted by law to enter contractual arrangements for a purpose eligible for assistance under the Safe Drinking Water Act.

(3) For purposes of the supplemental drinking water and wastewater assistance program under IC 13-18-21-21 through IC 13-18-21-29:

(A) a political subdivision; or

(B) any person, entity, association, trust, or other manner of participant permitted by law to enter contractual arrangements for a purpose eligible for assistance under IC 13-18-21-21 through IC 13-18-21-29.

(4) For purposes of the infrastructure assistance program under IC 13-18-25:

(A) a political subdivision; or

(B) any person, entity, association, trust, or other manner of participant permitted by law to enter into contractual arrangements for assistance under IC 13-18-25.

SECTION 17. IC 13-11-2-164 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 164. (a) "Political subdivision", for purposes of IC 13-18-13, means:

(1) a political subdivision (as defined in IC 36-1-2);

(2) a regional water, sewage, or solid waste district organized under:

(A) IC 13-26; or



- (B) IC 13-3-2 (before its repeal July 1, 1996); or
- (3) a local public improvement bond bank organized under IC 5-1.4.
- (b) "Political subdivision", for purposes of IC 13-18-21 **and IC 13-18-25**, means:
 - (1) a political subdivision (as defined in IC 36-1-2);
 - (2) a regional water, sewage, or solid waste district organized under:
 - (A) IC 13-26; or
 - (B) IC 13-3-2 (before its repeal July 1, 1996);
 - (3) a local public improvement bond bank organized under IC 5-1.4;
 - (4) a qualified entity described in IC 5-1.5-1-8(4) that is a public water utility described in IC 8-1-2-125; or
 - (5) a conservancy district established for the purpose set forth in IC 14-33-1-1(a)(4).
 - (c) "Political subdivision", for purposes of IC 13-19-5, has the meaning set forth in IC 36-1-2-13 and includes a redevelopment district under IC 36-7-14 or IC 36-7-15.1.

SECTION 18. IC 13-11-2-172 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 172. (a) "Program", for purposes of IC 13-18-13, refers to the wastewater revolving loan program established by IC 13-18-13-1.

(b) "Program", for purposes of IC 13-18-21, refers to the drinking water revolving loan program established by IC 13-18-21-1. The term does not include the supplemental program.

(c) "Program", for purposes of IC 13-18-25, refers to the infrastructure assistance program established by IC 13-18-25-1.

~~(c)~~ **(d)** "Program", for purposes of IC 13-19-5, refers to the environmental remediation revolving loan program established by IC 13-19-5-1.

~~(d)~~ **(e)** "Program", for purposes of IC 13-23, refers to an underground storage tank release:

- (1) detection;
- (2) prevention; and
- (3) correction;

program created in accordance with the requirements of IC 13-23 or IC 13-7-20 (before its repeal).

SECTION 19. IC 13-11-2-177.3, AS AMENDED BY SEA 421-2017, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 177.3. "Public water system", for purposes of this chapter, IC 13-18-11, IC 13-18-16, IC 13-18-20.5,



IC 13-18-21, **IC 13-18-25**, and other environmental management laws, has the meaning set forth in 42 U.S.C. 300f.

SECTION 20. IC 13-11-2-195.5, AS ADDED BY P.L.235-2005, SECTION 129, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 195.5. "Safe Drinking Water Act", for purposes of this chapter, ~~and~~ IC 13-18-21, **and IC 13-18-25**, refers to:

- (1) 42 U.S.C. 300f et seq.; and
- (2) regulations adopted under 42 U.S.C. 300f et seq.

SECTION 21. IC 13-11-2-223.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 223.5. "Storm water management program", for purposes of IC 13-18-21 **and IC 13-18-25**, means a program that is consistent with the requirements in:

- (1) 40 CFR 122.26(d)(2)(iv) for a proposed management program; or
- (2) 40 CFR 122.34 for a storm water management program.

SECTION 22. IC 13-18-16-8, AS AMENDED BY SEA 421-2017, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 8. (a) The board shall adopt rules under IC 4-22-2 and IC 13-14-9 establishing requirements for public water systems, including the following:

- (1) The requirement to obtain a permit for the construction, installation, or modification of facilities, equipment, or devices for any public water system.
- (2) The requirement to obtain a permit for the operation of sources, facilities, equipment, or devices for any public water system.

(b) The board shall adopt a permit by rule for water main extensions (as defined in 327 IAC 8-3-1) to satisfy the permit requirement in section 1(a) of this chapter.

(c) The board may adopt rules ~~under IC 4-22-2 and IC 13-14-9 establishing requirements for the development of surface water quality threat minimization and response plans under section 7.5 of this chapter.~~ **to carry out the intent of this chapter related to requirements necessary to protect the safety of the public water supply.**

SECTION 23. IC 13-18-16-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. (a) The commissioner may investigate and determine whether any public water system is providing water that is impure and dangerous to public health. If the commissioner determines that the water supply **of a public water system:**



- (1) is impure and dangerous to public health; or
- (2) ~~is not sufficiently purified because of improper construction, inadequate size, or inefficient management or operation; does not~~ **meet drinking water standards under:**

(A) the federal Safe Drinking Water Act (42 U.S.C. 300f through 300j); or

(B) rules adopted by the board;

the commissioner may ~~under IC 13-30-3-10 through IC 13-30-3-12~~ order that the water supply be made pure and safe to health **in accordance with the procedures under IC 13-14-2 and IC 13-30-3.**

(b) When the point of water collection of a public water system is being relocated, the commissioner may require water testing at the new point of collection before allowing the public water system to begin water collection at that point.

~~(b)~~ **(c)** If the commissioner determines ~~under subsection (a)~~ that a water supply is impure and dangerous to public health because of inefficient management or operation of the public water system providing the water, the commissioner may order the person responsible for the public water system to appoint, not later than fifteen (15) days after the commissioner's determination, a competent person to take charge of and superintend the operation of the water system plant or works.

~~(c)~~ **(d)** The commissioner must approve the person appointed in response to the commissioner's order under subsection ~~(b)~~; **(c)**. However, the person responsible for the water system plant or works shall pay the salary of the person appointed.

SECTION 24. IC 13-18-25 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 25. Infrastructure Assistance Program

Sec. 1. The infrastructure assistance program is established.

Sec. 2. (a) The infrastructure assistance fund is established as a source of money for grants, loans, and other financial assistance to, or for the benefit of, participants in the program.

(b) The fund shall be administered, held, and managed by the authority.

(c) The authority shall invest or cause to be invested all or a part of the fund, pursuant to the authority's investment policy, in a fiduciary account or accounts with a trustee that is a financial institution. Notwithstanding any other law, any investment under this subsection may be made by the trustee in accordance with one (1) or more trust agreements or indentures. A trust agreement or



indenture referred to in this subsection may permit disbursements by the trustee to the authority, the department, the budget agency, a participant, or any other person as provided in the trust agreement or indenture.

(d) The fund consists of the following:

- (1) Fees and other amounts received by the state, paid by the treasurer of state to the authority upon warrants issued by the auditor of state, and deposited in the fund.
- (2) Appropriations to the fund from the general assembly.
- (3) Grants and gifts of money to the fund.
- (4) Proceeds of the sale of:
 - (A) gifts to the fund; and
 - (B) loans, evidences of other financial assistance, and other obligations evidencing the loans or other financial assistance, as provided in sections 5 through 9 of this chapter.
- (5) Repayments of loans and other financial assistance from the fund, including interest, premiums, and penalties.

(e) Fees and other amounts received by the state pursuant to law concerning the funding of the infrastructure assistance fund shall be paid monthly by the treasurer of state to the authority upon warrants issued by the auditor of state and deposited in the fund.

(f) The expenses of administering the fund shall be paid from money in the fund.

(g) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 3. Money in the 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 Clean Water Act or the 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 Clean Water Act or the Safe Drinking Water Act.

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

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

Sec. 4. The authority shall adopt guidelines under IC 4-4-11-15(a)(2) to establish criteria for the making of grants, loans, and other financial assistance from the infrastructure assistance fund.

Sec. 5. (a) The making of grants and loans and the providing of other financial assistance from the infrastructure assistance fund to or for the benefit of participants under this chapter are subject to the following conditions:

(1) A grant, loan, or other financial assistance may be used:

(A) for:

(i) the planning, designing, acquiring, constructing, renovating, improving, or expanding of public water systems; and

(ii) other activities necessary or convenient to the completion of the tasks referred to in item (i);

(B) to:

(i) 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 clause (A); or

(ii) provide interest subsidies;

(C) to pay financing charges, including interest on the loan during construction and for a reasonable period after the completion of construction; or

(D) to pay the following:

(i) Consultant, advisory, and legal fees.



- (ii) Other costs or expenses necessary or incident to the making of grants, loans, or other financial assistance or the administration of the fund or the program.
- (2) A grant may be used for tasks associated with the development and preparation of water infrastructure and resource analyses.
- (3) The authority must establish the terms and conditions that the authority considers necessary or convenient to the making of grants or loans or providing of other financial assistance under this chapter.
- (b) In addition to exercising its powers under subsection (a), the authority may also make grants or loans or provide other financial assistance from the fund to or for the benefit of a participant under the following conditions:
 - (1) A grant, loan, or other financial assistance may be used:
 - (A) for planning, designing, acquiring, constructing, renovating, improving, or expanding wastewater or storm water collection and treatment systems, and other activities necessary or convenient to the completion of these tasks;
 - (B) to:
 - (i) 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 infrastructure assistance fund (including financial institutions), for a purpose permitted by clause (A); or
 - (ii) provide interest subsidies;
 - (C) to pay financing charges, including interest on the loan during construction and for a reasonable period after the completion of construction; or
 - (D) to pay:
 - (i) consultant, advisory, and legal fees; and
 - (ii) other costs or expenses necessary or incident to the grant, loan, or other financial assistance or the administration of the infrastructure assistance fund or the infrastructure program.
 - (2) A grant may be used for tasks associated with the development and preparation of:
 - (A) long term control plans;
 - (B) use attainability analyses;
 - (C) storm water management programs; or



(D) other wastewater or storm water infrastructure and resource analyses.

(3) The authority must establish the terms and conditions that the authority considers necessary or convenient to the making of grants or loans or providing of other financial assistance under this chapter.

Sec. 6. (a) An application for a grant, loan, or other financial assistance from the infrastructure assistance fund must be accompanied by all papers and opinions required by the authority.

(b) The authority may require that an application for a loan or other financial assistance from the infrastructure assistance fund be accompanied by the following:

- (1) A certification and guarantee of signatures.
- (2) A certification that, as of the date of the loan or other financial assistance, no litigation is pending challenging the validity of or entry into:
 - (A) the grant, loan, or other financial assistance; or
 - (B) any security for the loan or other financial assistance.
- (3) Any other certifications, agreements, security, or requirements that the authority requests.
- (4) An approving opinion of nationally recognized bond counsel.

Sec. 7. A participant receiving a grant, loan, or other financial assistance from the 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.

Sec. 8. (a) The authority may sell loans, evidences of other financial assistance, and other obligations evidencing the loans or other financial assistance from the infrastructure assistance fund:

- (1) periodically;
- (2) at any price; and
- (3) on terms acceptable to the authority.

(b) Proceeds of sales under subsection (a) shall be deposited in:

- (1) the infrastructure assistance fund;
- (2) the wastewater revolving loan fund established by IC 13-18-13-2;
- (3) the drinking water revolving loan fund established by IC 13-18-21-2; or
- (4) the supplemental drinking water and wastewater assistance fund established by IC 13-18-21-22;

at the direction of the authority.



Sec. 9. (a) The authority may pledge loans, evidences of other financial assistance, and other obligations evidencing the loans or other financial assistance from the infrastructure assistance fund to secure other loans or financial assistance from:

- (1) the infrastructure assistance fund;**
- (2) the wastewater revolving loan fund established by IC 13-18-13-2;**
- (3) the drinking water revolving loan fund established by IC 13-18-21-2; or**
- (4) the supplemental drinking water and wastewater assistance fund established by IC 13-18-21-22;**

for the benefit of participants.

(b) The terms of a pledge under this section must be acceptable to the authority.

(c) Notwithstanding any other law, a pledge of property made by the authority under this section is binding from the time the pledge is made. Revenues, other money, or other property pledged and thereafter received are immediately subject to the lien of the pledge without any further act. The lien of a pledge is binding against all parties having claims of any kind in tort, contract, or otherwise against:

- (1) the authority;**
- (2) the budget agency; or**
- (3) the infrastructure assistance fund;**

regardless of whether the parties have notice of any lien.

(d) A resolution, an indenture, or another instrument by which a pledge is created under this section does not have to be filed or recorded, except in the records of the authority.

(e) Action taken to:

- (1) enforce a pledge made under this section; and**
- (2) realize the benefits of the pledge;**

is limited to the property pledged.

(f) A pledge under this section does not create a liability or indebtedness of the state.

Sec. 10. Not later than August 1 of each odd-numbered year through 2021, the public finance director shall prepare for the budget committee established by IC 4-12-1-3 and the legislative council a report that includes the following:

- (1) Information concerning the financial assistance made available to participants from the infrastructure assistance fund during the two (2) most recent fiscal years.**
- (2) Any other information requested by the budget committee**



and the legislative council.

The report must be submitted in an electronic format under IC 5-14-6.

SECTION 25. IC 14-25-7-18, AS ADDED BY P.L.102-2016, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 18. (a) As used in this section, "authority" refers to the Indiana finance authority established by IC 4-4-11-4.

(b) As used in this section, "quality assurance review" means a process of reviewing and verifying water resources data with the goal of assuring the reliability of the data. The term includes the application of certain objectives, principles, and policies already in use at the Indiana geological **and water** survey in maintaining consistency in water resources data and accountability to the scientific community and general public.

(c) The authority shall perform a quality assurance review of the water resources data compiled from the reports submitted by owners of significant water withdrawal facilities under:

- (1) section 15 of this chapter; and
- (2) IC 13-2-6.1-1 and IC 13-2-6.1-7 (before their repeal);

beginning with the reports submitted for the 1985 calendar year.

(d) The authority may enter into contracts with one (1) or more professionals or state educational institutions under which the professionals or state educational institutions will perform some or all of the duties imposed on the authority by this section. The authority may compensate the professionals or state educational institutions for work performed under this section with:

- (1) money from the drinking water revolving loan fund established by IC 13-18-21-2; or
- (2) any other funds appropriated to the authority.

(e) In performing the quality assurance review required by this section, the authority shall use the water resources data in a manner that:

- (1) protects the confidential information of owners of significant water withdrawal facilities; and
- (2) is consistent with IC 5-14-3-4.

(f) The authority shall present the results of the quality assurance review performed under this section, as those results become available, to the water rights and use section of the department's division of water. The water rights and use section shall maintain the results in the data base of data extracted from reports submitted by owners of significant water withdrawal facilities under section 15 of this chapter (and IC 13-2-6.1-1 and IC 13-2-6.1-7 before their repeal).

SEA 416 — Concur



SECTION 26. IC 21-47-1-6, AS ADDED BY P.L.2-2007, SECTION 288, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. "Survey", as used in IC 21-47-2, refers to the Indiana geological **and water** survey established as a part of Indiana University by IC 21-47-2.

SECTION 27. IC 21-47-2-1, AS ADDED BY P.L.2-2007, SECTION 288, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) The state geologist, while holding the office of state geologist, shall be regarded as a member of the faculty of Indiana University. The state geologist may be appointed to a full-time or part-time position on the faculty of Indiana University.

(b) The state geologist shall be chosen by Indiana University. The state geologist shall serve for an indefinite period at the pleasure of Indiana University.

(c) The state geologist shall direct the collection and archiving of rock, mineral, soil, and other ~~geologic~~ **geological** samples. These samples shall be retained, as considered proper by the state geologist, at Indiana University.

SECTION 28. IC 21-47-2-2, AS ADDED BY P.L.2-2007, SECTION 288, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) The Indiana geological **and water** survey is established as a part of Indiana University.

(b) The head of the survey is the state geologist.

(c) The survey is under the direction and control of the board of trustees of Indiana University to:

- (1) continue the geological, **hydrogeological**, and scientific survey of Indiana;
- (2) continue the work of discovering, developing, and preserving the **water**, mineral, **and** energy **and ground water** resources of Indiana; and
- (3) have charge of the state geological sample collection.

SECTION 29. IC 21-47-2-3, AS ADDED BY P.L.2-2007, SECTION 288, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) The survey shall do the following:

- (1) Provide ~~geologic~~ **geological** information about the **water**, energy, **and** mineral **and ground water** resources and ~~geologic~~ **geologically** related hazards of Indiana.
- (2) Provide services that include:
 - (A) the archiving of rock cores, well cuttings, other subsurface ~~geologic~~ **geological** information, and other physical and chemical data on ~~geologic~~ **geological** materials; and



- (B) the collection and storage of data.
 - (3) Provide public service, information, and educational programs.
 - (4) Engage in research.
 - (5) Participate in cooperative studies and contractual projects with the department of natural resources and other agencies of state and federal government.
 - (6) Participate in cooperative studies and contractual projects with state educational institutions and private educational institutions.
 - (7) Disseminate published maps and reports **and digital data**.
 - (b) The survey may also do the following through contractual agreements:
 - (1) Provide the department of natural resources with information on the ~~geologic~~ **geological** occurrence of ground water and the vulnerability of this resource to contamination.
 - (2) Provide to the department of natural resources and other state agencies ~~geologic~~ **geological** information needed for the effective regulation of the mineral, water, and energy resources of Indiana.
 - (3) At the request of the department of natural resources, perform geotechnical investigations for a variety of mine reclamation programs.
 - (4) Provide general geotechnical consultation and assistance as may be needed from time to time.
 - (5) Provide technical assistance including, but not limited to, mapping and data collection as requested by the Indiana finance authority established by IC 4-4-11.**
- SECTION 30. IC 21-47-2-4, AS ADDED BY P.L.2-2007, SECTION 288, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. (a) The president of Indiana University may appoint a geological **and water** survey advisory council.
- (b) The council, if appointed, consists of nine (9) or more members who shall be selected with regard to their experience and knowledge concerning the public needs or enterprises served by the geological **and water** survey.
 - (c) The president of Indiana University shall specify the length of the term for which members of the council are appointed.
 - (d) Each member of the council who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). A member is also entitled to reimbursement for traveling expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana



department of administration and approved by the budget agency.

(e) The council shall meet with the state geologist from time to time, at the call of the state geologist, to make recommendations concerning:

- (1) the functions and performance of the survey; and
- (2) appropriations and funding for the survey.

(f) The council may make recommendations concerning the effectiveness and efficiency of the survey and other matters.

(g) Recommendations and reports of the council shall be directed to the following:

- (1) The governor.
- (2) The budget agency.
- (3) The president of Indiana University.
- (4) The director of the department of natural resources.

SECTION 31. IC 21-47-4-3, AS ADDED BY P.L.2-2007, SECTION 288, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. The center must be located at Purdue University at West Lafayette. In carrying out its duties under this chapter, the center must cooperate with and may use the resources of the following:

- (1) Indiana geological **and water** survey and other state educational institutions.
- (2) A state or federal department or agency.
- (3) A political subdivision.
- (4) Interest groups representing business, environment, industry, science, and technology.

SECTION 32. IC 25-17.6-1-8, AS AMENDED BY P.L.2-2007, SECTION 323, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 8. "State geologist" means the person in charge of the Indiana geological **and water** survey established by IC 21-47-2.

SECTION 33. IC 25-17.6-1-9, AS AMENDED BY P.L.2-2007, SECTION 324, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 9. "Survey" refers to the Indiana geological **and water** survey established by IC 21-47-2.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

SEA 416 — Concur

