

SENATE BILL No. 477

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-1.5-5-7; IC 36-9-27-114.

Synopsis: Storm water fee exemptions. Provides that the board of a municipal department of storm water management, the board of a county department of storm water management, or the board of public works of a consolidated city may not assess or collect user fees for the operation and maintenance of a storm water system with respect to: (1) property where religious services are held regularly; (2) property that belongs to a school corporation and is used for educational purposes; or (3) property that is assessed as agricultural land for property tax purposes. Provides that the drainage board of a county that does not have a department of storm water management may not assess or collect fees for services provided to address issues of storm water quality and quantity with respect to: (1) property where religious services are held regularly; (2) property that belongs to a school corporation and is used for educational purposes; or (3) property that is assessed as agricultural land for property tax purposes.

Effective: July 1, 2019.

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January 15, 2019, read first time and referred to Committee on Utilities.



First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

SENATE BILL No. 477

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

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

1 SECTION 1. IC 8-1.5-5-7, AS AMENDED BY P.L.114-2008,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2019]: Sec. 7. (a) The acquisition, construction, installation,
4 operation, and maintenance of facilities and land for storm water
5 systems may be financed through:
6 (1) proceeds of special taxing district bonds of the storm water
7 district;
8 (2) the assumption of liability incurred to construct the storm
9 water system being acquired;
10 (3) service rates;
11 (4) revenue bonds; or
12 (5) any other available funds.
13 (b) Except as provided in **subsection (f)** and IC 36-9-23-37, the
14 board, after holding a public hearing with notice given under IC 5-3-1
15 and obtaining the approval of the fiscal body of the unit served by the
16 department, may assess and collect user fees from all of the property of
17 the storm water district for the operation and maintenance of the storm



1 water system. The amount of the user fees must be the minimum
 2 amount necessary for the operation and maintenance of the storm water
 3 system. The assessment and collection of user fees under this
 4 subsection by the board of a county must also be approved by the
 5 county executive.

6 (c) The collection of the fees authorized by this section may be
 7 effectuated through a periodic billing system or through a charge
 8 appearing on the semiannual property tax statement of the affected
 9 property owner.

10 (d) The board shall use one (1) or more of the following factors to
 11 establish the fees authorized by this section:

12 (1) A flat charge for each lot, parcel of property, or building.

13 (2) The amount of impervious surface on the property.

14 (3) The number and size of storm water outlets on the property.

15 (4) The amount, strength, or character of storm water discharged.

16 (5) The existence of improvements on the property that address
 17 storm water quality and quantity issues.

18 (6) The degree to which storm water discharged from the property
 19 affects water quality in the storm water district.

20 (7) Any other factors the board considers necessary.

21 (e) The board may exercise reasonable discretion in adopting
 22 different schedules of fees or making classifications in schedules of
 23 fees based on:

24 (1) variations in the costs, including capital expenditures, of
 25 furnishing services to various classes of users or to various
 26 locations;

27 (2) variations in the number of users in various locations; and

28 (3) whether the property is used primarily for residential,
 29 commercial, or agricultural purposes.

30 **(f) A user fee may not be assessed or collected under subsection**
 31 **(b) with respect to any of the following:**

32 **(1) Property where religious services are held regularly,**
 33 **including the grounds, parking lots, and roadways on the**
 34 **property.**

35 **(2) Property that belongs to a school corporation (as defined**
 36 **in IC 20-18-2-16(a)) and is used for educational purposes,**
 37 **including the grounds, parking lots, and roadways on the**
 38 **property.**

39 **(3) Property that is assessed as agricultural land for property**
 40 **tax purposes.**

41 SECTION 2. IC 36-9-27-114 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 114. (a) This section



- 1 applies to a county that:
- 2 (1) receives notification from the department of environmental
3 management that the county will be subject to regulation under
4 327 IAC 15-13; and
- 5 (2) has not adopted an ordinance to adopt the provisions of
6 IC 8-1.5-5.
- 7 (b) As used in this section, "storm water improvements" means
8 storm sewers, drains, storm water retention or detention structures,
9 dams, or any other improvements used for the collection, treatment,
10 and disposal of storm water.
- 11 (c) The drainage board of a county may establish fees for services
12 provided by the board to address issues of storm water quality and
13 quantity, including the costs of constructing, maintaining, operating,
14 and equipping storm water improvements.
- 15 (d) Fees established under this chapter after a public hearing with
16 notice given under IC 5-3-1 are presumed to be just and equitable.
- 17 (e) **Except as provided in subsection (h)**, the fees are payable by
18 the owner of each lot, parcel of real property, or building that uses or
19 is served by storm water improvements that address storm water quality
20 and quantity. Unless the board finds otherwise, the storm water
21 improvements are considered to benefit every lot, parcel of real
22 property, or building that uses or is served by the storm water
23 improvements, and the fees shall be billed and collected accordingly.
- 24 (f) The board shall use one (1) or more of the following factors to
25 establish the fees:
- 26 (1) A flat charge for each lot, parcel of property, or building.
27 (2) The amount of impervious surface on the property.
28 (3) The number and size of storm water outlets on the property.
29 (4) The amount, strength, or character of storm water discharged.
30 (5) The existence of improvements on the property that address
31 storm water quality and quantity issues.
32 (6) The degree to which storm water discharged from the property
33 affects water quality in the district.
34 (7) Any other factors the board considers necessary.
- 35 (g) The board may exercise reasonable discretion in adopting
36 different schedules of fees, or making classifications in schedules of
37 fees, based on:
- 38 (1) variations in the costs, including capital expenditures, of
39 addressing storm water quality and quantity for various classes of
40 users or for various locations;
41 (2) variations in the number of users in various locations; and
42 (3) whether the property is used primarily for residential,



- 1 commercial, or agricultural purposes.
- 2 **(h) A fee may not be assessed or collected under subsection (e)**
- 3 **with respect to any of the following:**
- 4 **(1) Property where religious services are held regularly,**
- 5 **including the grounds, parking lots, and roadways on the**
- 6 **property.**
- 7 **(2) Property that belongs to a school corporation (as defined**
- 8 **in IC 20-18-2-16(a)) and is used for educational purposes,**
- 9 **including the grounds, parking lots, and roadways on the**
- 10 **property.**
- 11 **(3) Property that is assessed as agricultural land for property**
- 12 **tax purposes.**

