

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7018**  
**BILL NUMBER: SB 490**

**DATE PREPARED:** Jan 5, 2000  
**BILL AMENDED:**

**SUBJECT:** Water utilities.

**FISCAL ANALYST:** Brian Tabor  
**PHONE NUMBER:** 233-9456

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill allows a public water utility an increase in its rates to recover the costs of improvements to its distribution system under certain circumstances. It also authorizes a health agency and the Indiana Utility Regulatory Commission to order a local water utility to extend service to an area within a municipality served by private wells if the health agency finds that:

- (1) the area suffers from a health hazard due to the presence of at least one contaminant; and
- (2) the area lies in at least one census tract or block having a median household income of less than 200% of the most recently determined federal income poverty level.

**Effective Date:** July 1, 2000.

**Explanation of State Expenditures:** This bill will likely result in additional hearings, rule-making, and other administrative expenses for the Indiana Utility Regulatory Commission and the Office of the Utility Consumer Counselor. The extent of these expenses is not known at this time. This fiscal note will be updated when a more precise estimate of this bill's impact becomes available.

The operating expenses of the IURC and the OUCC are funded through the Public Utility Fund. In FY 1999, the IURC spent \$590,000 less than its appropriation and the OUCC spent approximately \$1 M less than it was appropriated.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana Utility Regulatory Commission, Office of the Utility Consumer Counselor, Department of Health.

**Local Agencies Affected:** Local health departments.

**Information Sources:**