

HOUSE BILL No. 1255

DIGEST OF INTRODUCED BILL

Citations Affected: IC 13-18-16-16.

Synopsis: Water authority audits. Requires water authorities to be audited annually by a certified public accounting firm. Provides that the state board of accounts must receive a copy of the audit report.

Effective: Upon passage; July 1, 2004.

Robertson

January 15, 2004, read first time and referred to Committee on Environmental Affairs.

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Second Regular Session 113th General Assembly (2004)

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 2003 Regular Session of the General Assembly.

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HOUSE BILL No. 1255



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 13-18-16-16, AS AMENDED BY P.L.2-2002,
2 SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2004]: Sec. 16. (a) A nonprofit water utility may adopt a
4 resolution approved by its board of directors under this section that
5 reconstitutes the nonprofit water utility as a water authority to be
6 named as provided in the resolution.

7 (b) A resolution adopted under this section must allow:
8 (1) the structure of the board of directors; and
9 (2) the rules governing the water authority;
10 to remain the same as those applicable to the nonprofit water utility.

11 (c) The water authority shall retain all its powers, privileges, rights,
12 and exemptions as a nonprofit water utility under:
13 (1) its existing bylaws and articles; and
14 (2) all laws applicable to nonprofit water utilities and local water
15 corporations, including powers granted under IC 32-24-4-1.

16 (d) A water authority constituted under this section is a political
17 subdivision of the state.



1 (e) A copy of a resolution adopted under this section must be filed
2 with the secretary of state. When the secretary of state receives a copy
3 of a resolution under this subsection, the secretary of state shall
4 dissolve the corporate status of the nonprofit water utility for purposes
5 of state law.

6 (f) A water authority constituted under this section shall:
7 (1) remain obligated under any existing contracts or agreements;
8 and
9 (2) remain obligated and assume the indebtedness;
10 of the nonprofit water utility.

11 (g) Notwithstanding any other law and subject to ~~subsection~~
12 **subsections (h) and (i)**, a water authority constituted under this section
13 is subject only to the laws applicable to nonprofit water utilities and
14 local water corporations.

15 (h) A water authority constituted under this section is subject to
16 IC 8-1.5-3-8 for purposes of setting rates and charges.

17 **(i) A water authority constituted under this section shall have an**
18 **audit of its financial records performed annually by an**
19 **independent certified public accounting firm. The audit report**
20 **must be kept on file at the water authority, and the water authority**
21 **must provide a copy of the audit report to the state board of**
22 **accounts.**

23 SECTION 2. [EFFECTIVE UPON PASSAGE] **Notwithstanding**
24 **IC 13-18-16-16, as amended by this act, a water authority must**
25 **provide the state board of accounts with an audit report under**
26 **IC 13-18-16-16, as amended by this act, for a fiscal or calendar**
27 **year that ends after December 31, 2004.**

28 SECTION 3. **An emergency is declared for this act.**

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