

Second Regular Session 114th General Assembly (2006)

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 2005 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1018

AN ACT to amend the Indiana Code concerning the environment.

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

SECTION 1. IC 13-18-16-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16. (a) A nonprofit water utility may adopt a resolution approved by its board of directors under this section that reconstitutes the nonprofit water utility as a water authority to be named as provided in the resolution.

(b) A resolution adopted under this section must allow:

- (1) the structure of the board of directors; and
- (2) the rules governing the water authority;

to remain the same as those applicable to the nonprofit water utility.

(c) The water authority shall retain all its powers, privileges, rights, and exemptions as a nonprofit water utility under:

- (1) its existing bylaws and articles; and
- (2) all laws applicable to nonprofit water utilities and local water corporations, including powers granted under IC 32-24-4-1.

(d) **Except as provided in subsection (g)**, a water authority constituted under this section is a political subdivision of the state.

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

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of state law.

(f) A water authority constituted under this section shall:

- (1) remain obligated under any existing contracts or agreements; and
- (2) remain obligated and assume the indebtedness;

of the nonprofit water utility.

(g) Notwithstanding any other law and subject to ~~subsection~~ **subsections (h) and (i)**, a water authority constituted under this section is subject only to the laws applicable to nonprofit water utilities and local water corporations **and is not subject to the following:**

- (1) IC 5-3.
- (2) IC 5-4-1.
- (3) IC 5-11.
- (4) IC 5-13.
- (5) IC 5-14-1.5.
- (6) IC 5-14-3.
- (7) IC 5-22.
- (8) IC 36-1-8.
- (9) IC 36-1-10.
- (10) IC 36-1-10.5.
- (11) IC 36-1-11.
- (12) IC 36-1-12.
- (13) IC 36-1-15.

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

(i) For each fiscal or calendar year of a water authority constituted under this section that ends after December 31, 2006, the water authority:

(1) shall:

- (A) have an audit of its financial records performed by an independent certified public accounting firm; and**
 - (B) keep the audit report on file at the water authority; and**
- (2) notwithstanding IC 5-11-1-9, is not subject to the following:**
- (A) Audit or examination by the state board of accounts.**
 - (B) The examination guidelines and reporting requirements of the state board of accounts.**

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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