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FISCAL IMPACT STATEMENT

LS 7381

BILL NUMBER: HB 1574

NOTE PREPARED: Jan 10, 2011

BILL AMENDED:

SUBJECT: Little Calumet River Basin Development Commission.

FIRST AUTHOR: Rep. Soliday

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill requires the Little Calumet River Basin Development Commission to levy a special assessment on tracts of land within certain areas of the Little Calumet River and Burns Waterway watershed. Money collected may be used only for expenses directly related to the operation, repair, and maintenance of flood protection systems within the watershed. Money collected by the assessment must be deposited into a segregated account within the Little Calumet River project development fund. The bill provides that if the amount in the account exceeds \$12 million the assessment may not be collected for 12 months and until the amount in the segregated account is less than \$7 million. It repeals and moves definition of "political subdivision".

Effective Date: July 1, 2011.

Explanation of State Expenditures: See *Local Revenues* below.

Explanation of State Revenues:

Explanation of Local Expenditures: The Commission must impose an annual special assessment against each tract of real property that is within a specified geographic area. Special assessments must be deposited into a segregated account. The Commission must certify the list of assessments to the county auditor. Money collected may be used only for expenses directly related to the operation, repair, and maintenance of flood protection systems within the watershed; and may not be transferred into other accounts within the fund.

The county treasurer must add the assessment to property tax statements. The county treasurer must certify to the county auditor the amount of the special assessments collected. The county auditor must pay special

assessments collected by the county treasurer to the Commission.

Explanation of Local Revenues: The special assessment for each tract must be as follows:

- (1) A residential tract of real property, \$25.
- (2) An agricultural tract of real property, \$50.
- (3) A commercial tract of real property, \$100.
- (4) An industrial tract of real property, \$200.

If on July 1 the balance in the account exceeds \$12 M, the Commission must suspend collection of the special assessment for at least 12 months and until the balance is less than \$7 M.

Background. IC 14-13-2-7 provides that the Commission has 5 members appointed by the governor. One member must represent the Department of Natural Resources (DNR) and 4 must reside in a specified city, town, or township. However, a member may not be an employee or elected official of a city, town, or county governmental unit. The Commission received \$14 M for repair and rehabilitation in the FY 09-11 biennial appropriation.

State Agencies Affected: DNR.

Local Agencies Affected: Units represented by the Little Calumet River Basin Development Commission.

Information Sources:

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