



DIGEST OF SB 414 (Updated March 27, 2023 3:24 pm - DI 150)

**Citations Affected:** IC 13-11; IC 13-18; IC 16-41; IC 36-11.

Synopsis: Onsite sewage systems and holding tanks. Changes the definition of class III wetlands. Defines "onsite residential sewage discharging disposal system" to provide that the term includes a system that employs advanced treatment components not used in standard septic systems to reduce the concentration of the pathogenic constituents of the effluent to an acceptable level before the effluent is discharged. Allows point source discharge of treated sewage from an onsite residential sewage discharging disposal system to provide that the law applies to any county onsite waste management district instead of applying only to one particular county. Allows a local health department to issue an operating permit for an onsite residential sewage discharging disposal system within a county onsite waste management district: (1) to authorize the technical review panel, the (Continued next page)

Effective: Upon passage.

# Byrne, Sandlin, Niezgodski, Doriot, Tomes

(HOUSE SPONSORS — ENGLEMAN, MILLER D, KING)

January 19, 2023, read first time and referred to Committee on Environmental Affairs.

January 30, 2023, reported favorably — Do Pass.
February 2, 2023, read second time, ordered engrossed. Engrossed.
February 6, 2023, read third time, passed. Yeas 44, nays 5.

HOUSE ACTION

February 28, 2023, read first time and referred to Committee on Environmental Affairs. March 23, 2023, amended, reported — Do Pass. March 27, 2023, read second time, amended, ordered engrossed.



### **Digest Continued**

Indiana department of health, or the environmental rules board to adopt guidelines for purposes of guiding local health departments in taking the actions and making the determinations required when issuing an operating permit for an onsite residential sewage discharging disposal system; (2) to provide that, if the amendment of the National Pollutant Discharge Elimination System (NPDES) general permit issued by the department of environmental management for the purposes of the county onsite waste management district law is necessary or advisable to enable onsite waste management districts established after June 30, 2023, to function properly and effectively, the department shall amend the general permit as soon as reasonably possible after June 30, 2023; and (3) to authorize the county executives of two or more counties to establish a single county onsite waste management district by entering into an interlocal cooperation agreement. Provides that septage that originates from a residential or commercial source may be held in one or more holding tanks of not more than 10,000 gallons until removed and transported from the site. Establishes requirements for septage holding tanks. Requires a permit from the local health department for the operation of a septage holding tank. Requires a septage tank owner to enter into a written contract with a septage management vehicle operator for regular removal of septage from the tank, to provide a copy of the contract to the local health department, and to provide proof to the local health department that the tank owner is regularly paying for the removal of septage from the holding tank. Requires a local health department to report to IDEM concerning the septage tanks in its jurisdiction.



First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

# ENGROSSED SENATE BILL No. 414

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 13-11-2-25.8, AS AMENDED BY P.L.160-2021,
2	SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3	UPON PASSAGE]: Sec. 25.8. (a) For purposes of IC 13-18:
4	(1) "Class I wetland" means an isolated wetland described by one
5	(1) or both of the following:
6	(A) At least fifty percent (50%) of the wetland has been
7	disturbed or affected by human activity or development by one
8	(1) or more of the following:
9	(i) Removal or replacement of the natural vegetation.
10	(ii) Modification of the natural hydrology.
11	(B) The wetland supports only minimal wildlife, or aquatic
12	habitat, or hydrologic function because the wetland does not
13	provide critical habitat for threatened or endangered species
14	listed in accordance with the Endangered Species Act of 1973
15	(16 U.S.C. 1531 et seq.) and the wetland is characterized by at



1	least one (1) of the following:
2	(i) The wetland is typified by low species diversity.
3	(ii) The wetland contains greater than fifty percent (50%)
2 3 4 5	areal coverage of non-native invasive species of vegetation
5	(iii) The wetland does not support significant wildlife or
6	aquatic habitat.
7	(iv) The wetland does not possess significant hydrologic
8	function;
9	(2) "Class II wetland" means an isolated wetland that supports
10	moderate habitat or hydrological functions, including an isolated
11	wetland that is dominated by native species but is generally
12	without:
13	(A) the presence of; or
14	(B) habitat for;
15	rare, threatened, or endangered species; and
16	(3) "Class III wetland" means an isolated wetland:
17	(A) that is located in a setting undisturbed or minimally
18	disturbed by human activity or development and that supports
19	more than minimal wildlife or aquatic habitat or hydrologic
20	function; or and
21	(B) that is of one (1) of the following rare and ecologically
22	important types:
23	(i) Acid bog.
24	(ii) Acid seep.
25	(iii) Circumneutral bog.
26	(iv) Circumneutral seep.
27	(v) Cypress swamp.
28	(vi) Dune and swale.
29	(vii) Fen.
30	(viii) Forested fen.
31	(ix) Forested swamp.
32	(x) Marl beach.
33	(xi) Muck flat.
34	(xii) Panne.
35	(xiii) Sand flat.
36	(xiv) Sedge meadow.
37	(xv) Shrub swamp.
38	(xvi) Sinkhole pond.
39	(xvii) Sinkhole swamp.
40	(xviii) Wet floodplain forest.
41	(xix) Wet prairie.
42	(xx) Wet sand prairie.



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1	(b) For purposes of this section, a wetland or setting is not
	considered disturbed or affected as a result of an action taken after
2 3	January 1, 2004, for which a permit is required under IC 13-18-22 but
4	has not been obtained.
5	SECTION 2. IC 13-11-2-144.7 IS AMENDED TO READ AS
6	FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 144.7. (a) For
7	purposes of IC 13-18-12, "onsite residential sewage discharging
8	disposal system" means a sewage disposal system that:
9	(1) is located on a site with and serves a one (1) or two (2) family
10	residence; and
11	(2) discharges effluent offsite.
12	(b) The term includes a system that employs advanced
13	treatment components not used in standard septic systems, such as
14	a disinfection component that uses chlorine, ultraviolet light, or
15	ozone, to reduce the concentration of the pathogenic constituents
16	of the effluent to an acceptable level before the effluent is
17	discharged.
18	SECTION 3. IC 13-18-12-3, AS AMENDED BY P.L.159-2011,
19	SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20	UPON PASSAGE]: Sec. 3. (a) The board shall initiate, in accordance
21	with IC 13-15, a septage management permit program for all persons
22	who offer to perform or are performing septage management services.
23	(b) A permit from the department may not be required for the
24	ownership or operation of one (1) or more holding tanks described
25	in IC 16-41-25-9 in which septage originating from a residential or

- ownership or operation of one (1) or more holding tanks described in IC 16-41-25-9 in which septage originating from a residential or commercial source is held until it is removed and transported from the site of the holding tanks by septage management vehicles. However:
  - (1) the board may adopt rules under IC 4-22-2 and IC 13-14-9; or
- (2) the department may establish guidelines; concerning the reports to be provided to the department by local health departments under IC 16-41-25-9(h). The rules or guidelines may specify the content to be included in the reports and the

frequency at which the reports must be provided.

SECTION 4. IC 13-18-12-9, AS AMENDED BY P.L.104-2022, SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) This section applies only in a county having a population of more than three hundred fifty thousand (350,000) and less than four hundred thousand (400,000). onsite waste management district established under IC 36-11.

(b) Except as provided in subsection (c), the point source discharge



1	of sewage, treated or untreated, from a dwelling or its associated
2	residential sewage disposal system to waters is prohibited.
3	(c) The point source discharge of treated sewage from an onsite
4	residential sewage discharging disposal system to waters is permitted
5	if:
6	(1) the local health department for the jurisdiction in which the
7	system is located issues an operating permit for the system under
8	subsection (d); and
9	(2) the discharge is authorized under a general permit issued
10	under 40 CFR 122.28.
11	(d) In a county onsite waste management district established under
12	IC 36-11 that performs all the functions related to onsite waste
13	management listed in IC 36-11-2-1, the local health department for the
14	jurisdiction in which the system is located may issue an operating
15	permit for an onsite residential sewage discharging disposal system if
16	the system is installed to repair or replace a sewage disposal system
17	that fails to meet public health and environmental standards and if:
18	(1) the local health department adopts procedural rules for
19	monitoring onsite residential sewage discharging disposal systems
20	in the jurisdiction, including fines or penalties, or both, for
21	noncompliance, to ensure that:
22 23 24 25	(A) required maintenance is performed on the systems; and
23	(B) the systems do not discharge effluent that violates water
24	quality standards;
	(2) the local health department certifies, with respect to the
26	system for which the permit is issued, that:
27	(A) the system is capable of operating properly;
28	(B) the system does not discharge effluent that violates water
29	quality standards;
30	(C) an acceptable septic tank soil absorption system cannot be
31	located on the property served by the system because of:
32	(i) soil characteristics;
33	(ii) size; or
34	(iii) topographical conditions;
35	of the property;
36	(D) the system:
37	(i) was properly installed by a qualified installer; and
38	(ii) provides the best available technology for residential
39	discharging onsite sewage disposal systems; and
40	(E) the local health department has:
41	(i) investigated all technologies available for repair of the
42	sewage disposal system that fails to meet public health and



1	environmental standards other than the use of an onsite
2	residential sewage discharging disposal system; and
3	(ii) determined that an onsite residential sewage discharging
4	disposal system is the only possible technology that can be
5	used to effect a repair of the sewage disposal system that
6	fails to meet public health and environmental standards
7	without causing unreasonable economic hardship to the
8	system owner; and
9	(3) the system for which the permit is issued cannot be connected
10	to a sanitary sewer because:
11	(A) there is not a <b>local, municipal, or regional</b> sanitary sewer
12	connection available;
13	(B) the sanitary sewer operator refuses connection; or
14	(C) unreasonable economic hardship would result to the
15	system owner because of:
16	(i) the connection requirements of the sanitary sewer
17	operator; or
18	(ii) the distance to the sanitary sewer.
19	(e) For purposes of providing guidance to local health
20	departments in taking the actions and making the determinations
21	described in subsection (d):
22	(1) the technical review panel established under
<i>LL</i>	(1) the technical review panel established under
22 23	IC 16-19-3-27.5 may adopt guidelines;
23 24	•
23 24 25	IC 16-19-3-27.5 may adopt guidelines;
23 24 25 26	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided
23 24 25 26 27	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided by the technical review panel established under
23 24 25 26 27 28	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or (3) the environmental rules board may adopt rules under
23 24 25 26 27 28 29	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines;
23 24 25 26 27 28 29	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines; concerning onsite residential sewage discharging disposal systems.
23 24 25 26 27 28 29 30	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines; concerning onsite residential sewage discharging disposal systems.  SECTION 5. IC 13-18-12-9.5 IS ADDED TO THE INDIANA
23 24 25 26 27 28 29 30 31	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines; concerning onsite residential sewage discharging disposal systems.  SECTION 5. IC 13-18-12-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
23 24 25 26 27 28 29 30 31 32 33	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines; concerning onsite residential sewage discharging disposal systems.  SECTION 5. IC 13-18-12-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. If the amendment of the
23 24 25 26 27 28 29 30 31 32 33 34	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines; concerning onsite residential sewage discharging disposal systems.  SECTION 5. IC 13-18-12-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. If the amendment of the National Pollutant Discharge Elimination System (NPDES) general
23 24 25 26 27 28 29 30 31 32 33 34 35	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines; concerning onsite residential sewage discharging disposal systems.  SECTION 5. IC 13-18-12-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. If the amendment of the National Pollutant Discharge Elimination System (NPDES) general permit issued by the department for the purposes of IC 36-11 is
23 24 25 26 27 28 29 30 31 32 33 34 35	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines; concerning onsite residential sewage discharging disposal systems. SECTION 5. IC 13-18-12-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. If the amendment of the National Pollutant Discharge Elimination System (NPDES) general permit issued by the department for the purposes of IC 36-11 is necessary or advisable to enable county onsite waste management
23 24 25 26 27 28 29 30 31 32 33 34 35 36	IC 16-19-3-27.5 may adopt guidelines; (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines; concerning onsite residential sewage discharging disposal systems.  SECTION 5. IC 13-18-12-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. If the amendment of the National Pollutant Discharge Elimination System (NPDES) general permit issued by the department for the purposes of IC 36-11 is necessary or advisable to enable county onsite waste management districts established under IC 36-11 after June 30, 2023, to function
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	IC 16-19-3-27.5 may adopt guidelines;  (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or  (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines; concerning onsite residential sewage discharging disposal systems.  SECTION 5. IC 13-18-12-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. If the amendment of the National Pollutant Discharge Elimination System (NPDES) general permit issued by the department for the purposes of IC 36-11 is necessary or advisable to enable county onsite waste management districts established under IC 36-11 after June 30, 2023, to function properly and effectively, the department shall amend the general
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	IC 16-19-3-27.5 may adopt guidelines;  (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or  (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines;  concerning onsite residential sewage discharging disposal systems.  SECTION 5. IC 13-18-12-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. If the amendment of the National Pollutant Discharge Elimination System (NPDES) general permit issued by the department for the purposes of IC 36-11 is necessary or advisable to enable county onsite waste management districts established under IC 36-11 after June 30, 2023, to function properly and effectively, the department shall amend the general permit as soon as reasonably possible after June 30, 2023.
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	IC 16-19-3-27.5 may adopt guidelines;  (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or  (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines; concerning onsite residential sewage discharging disposal systems. SECTION 5. IC 13-18-12-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. If the amendment of the National Pollutant Discharge Elimination System (NPDES) general permit issued by the department for the purposes of IC 36-11 is necessary or advisable to enable county onsite waste management districts established under IC 36-11 after June 30, 2023, to function properly and effectively, the department shall amend the general permit as soon as reasonably possible after June 30, 2023.  SECTION 6. IC 16-41-25-9 IS ADDED TO THE INDIANA CODE
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	IC 16-19-3-27.5 may adopt guidelines;  (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or  (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines;  concerning onsite residential sewage discharging disposal systems.  SECTION 5. IC 13-18-12-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. If the amendment of the National Pollutant Discharge Elimination System (NPDES) general permit issued by the department for the purposes of IC 36-11 is necessary or advisable to enable county onsite waste management districts established under IC 36-11 after June 30, 2023, to function properly and effectively, the department shall amend the general permit as soon as reasonably possible after June 30, 2023.



1	means human excreta, wastewater, scum, sludge, and other content
2	introduced through incidental or accidental seepage that is
3	removed from domestic septic tanks, holding tanks, privies
4	seepage pits, cesspools, compost toilets, or portable sanitary units
5	(b) As used in this section, "septage management vehicle"
6	means a vehicle that is:
7	(1) used for:
8	(A) the removal of septage from holding tanks or sewage
9	disposal systems; and
10	(B) the transportation of the septage to wastewater
11	treatment plants or other facilities for treatment
12	temporary storage, or disposal; and
13	(2) subject to regulation under IC 13-18-12 and 327 IAC 7.1
14	(c) Septage that originates from a residential or commercial
15	source may be held in one (1) or more holding tanks until it is
16	removed and transported from the site of the holding tanks by a
17	septage management vehicle. A holding tank to which this
18	subsection applies may not have a capacity of more than ter
19	thousand (10,000) gallons.
20	(d) A holding tank used under this section must be:
21	(1) designed and equipped so that septage can be cleanly and
22	efficiently pumped from the tank into a septage management
23	vehicle to be transported from the site of the tank; and
24	(2) equipped with a device that will produce an audio and
25	visual alarm when the septage in the tank reaches two-thirds
26	(2/3) of the tank's capacity.
27	(e) A holding tank described in this section may not be used to
28	hold septage unless the tank owner has obtained a permit from the
29	local health department of the county, city, or multiple county uni
30	in which the holding tank is located. To obtain a permit, the owner
31	of a holding tank must:
32	(1) enter into a written contract with an operator of septage
33	management vehicles providing for the removal of septage
34	from the holding tank at regular intervals;
35	(2) provide a copy of the contract to the local health
36	department; and
37	(3) commit to providing to the local health department copies
38	of receipts or other records proving that the holding tank
39	owner is regularly paying the septage management vehicle
40	operator a fee for the removal of septage from the holding
41	tank.

(f) A permit issued to the owner of a holding tank may be



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1	suspended or revoked, or renewal of the permit may be denied, for:
2	(1) a violation of:
3	(A) this section;
4	(B) a condition stated in the permit; or
5	(C) a requirement established under subsection (g); or
6	(2) a problem involving the holding tank or the operation of
7	the holding tank that creates a risk of harm to human health
8	or the environment.
9	(g) The local health department of a county, city, or multiple
10	county unit may establish requirements:
11	(1) concerning the issuance, term, and renewal of permits
12	required under subsection (e);
13	(2) concerning the design, construction, location, and
14	operation of holding tanks described in this section; and
15	(3) determining:
16	(A) the ways in which a holding tank owner may provide
17	the proof; and
18	(B) how often the tank owner must provide the proof;
19	required under subsection (e)(3).
20	(h) In accordance with any rules or guidelines adopted under
21	IC 13-18-12-3(b), a local health department that issues permits for
22	the use of holding tanks under this section shall report to the
23	department of environmental management concerning the holding
24	tanks.
25	SECTION 7. IC 36-11-1-3 IS AMENDED TO READ AS
26	FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. "Governing
27	body" means:
28	(1) the county executive of the county in which the district is
29	located or proposed to be located; or
30	(2) the county executive of a county that enters into an
31	interlocal cooperation agreement under IC 36-11-3-1(d) to
32	establish a district containing territory located in two (2) or
33	more counties.
33 34	SECTION 8. IC 36-11-3-1 IS AMENDED TO READ AS
33 34 35	SECTION 8. IC 36-11-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The
33 34 35 36	SECTION 8. IC 36-11-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The establishment of a district may be initiated only by the governing body.
33 34 35 36 37	SECTION 8. IC 36-11-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The establishment of a district may be initiated only by the governing body. (b) The dissolution of a district may be initiated only by the
33 34 35 36 37 38	SECTION 8. IC 36-11-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The establishment of a district may be initiated only by the governing body.  (b) The dissolution of a district may be initiated only by the governing body.
33 34 35 36 37 38 39	SECTION 8. IC 36-11-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The establishment of a district may be initiated only by the governing body. (b) The dissolution of a district may be initiated only by the
33 34 35 36 37 38 39 40	SECTION 8. IC 36-11-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The establishment of a district may be initiated only by the governing body.  (b) The dissolution of a district may be initiated only by the governing body.  (c) A notice of intent to establish or dissolve a district must be filed in:
33 34 35 36 37 38 39	SECTION 8. IC 36-11-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The establishment of a district may be initiated only by the governing body. (b) The dissolution of a district may be initiated only by the governing body. (c) A notice of intent to establish or dissolve a district must be filed



1	dissolution;
2	(2) the department of environmental management; and
3	(3) the state Indiana department of health.
4	(d) The governing bodies of two (2) or more counties may
5	establish a single district containing territory located in both or al
6	of the counties by entering into an interlocal cooperation
7	agreement.
8	SECTION 9. An emergency is declared for this act.



#### COMMITTEE REPORT

Madam President: The Senate Committee on Environmental Affairs, to which was referred Senate Bill No. 414, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 414 as introduced.)

NIEMEYER, Chairperson

Committee Vote: Yeas 8, Nays 2

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred Senate Bill 414, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 10, begin a new paragraph and insert: "SECTION 1. IC 13-11-2-25.8, AS AMENDED BY P.L.160-2021, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 25.8. (a) For purposes of IC 13-18:

- (1) "Class I wetland" means an isolated wetland described by one
- (1) or both of the following:
  - (A) At least fifty percent (50%) of the wetland has been disturbed or affected by human activity or development by one (1) or more of the following:
  - (i) Removal or replacement of the natural vegetation.
  - (ii) Modification of the natural hydrology.
  - (B) The wetland supports only minimal wildlife, or aquatic habitat, or and hydrologic function because the wetland does not provide critical habitat for threatened or endangered species listed in accordance with the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) and the wetland is characterized by at least one (1) of the following:
    - (i) The wetland is typified by low species diversity.
    - (ii) The wetland contains greater than fifty percent (50%) areal coverage of non-native invasive species of vegetation.
    - (iii) The wetland does not support significant wildlife or aquatic habitat.
    - (iv) The wetland does not possess significant hydrologic



function;

- (2) "Class II wetland" means an isolated wetland that supports moderate habitat or and hydrological functions, including an isolated wetland that is dominated by native species but is generally without:
  - (A) the presence of; or
  - (B) habitat for;

rare, threatened, or endangered species; and

- (3) "Class III wetland" means an isolated wetland:
  - (A) that is located in a setting undisturbed or minimally disturbed by human activity or development and that supports more than minimal wildlife or aquatic habitat or hydrologic function: or and
  - (B) that is of one (1) of the following rare and ecologically important types:
    - (i) Acid bog.
    - (ii) Acid seep.
    - (iii) Circumneutral bog.
    - (iv) Circumneutral seep.
    - (v) Cypress swamp.
    - (vi) Dune and swale.
    - (vii) Fen.
    - (viii) Forested fen.
    - (ix) Forested swamp.
    - (x) Marl beach.
    - (xi) Muck flat.
    - (xii) Panne.
    - (xiii) Sand flat.
    - (xiv) Sedge meadow.
    - (xv) Shrub swamp.
    - (xvi) Sinkhole pond.
    - (xvii) Sinkhole swamp.
    - (xviii) Wet floodplain forest.
    - (xix) Wet prairie.
    - (xx) Wet sand prairie.
- (b) For purposes of this section, a wetland or setting is not considered disturbed or affected as a result of an action taken after January 1, 2004, for which a permit is required under IC 13-18-22 but has not been obtained.

SECTION 2. IC 13-11-2-144.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 144.7. (a) For purposes of IC 13-18-12, "onsite residential sewage discharging disposal system"



means a sewage disposal system that:

- (1) is located on a site with and serves a one (1) or two (2) family residence; and
- (2) discharges effluent offsite.
- (b) The term includes a system that employs advanced treatment components not used in standard septic systems, such as a disinfection component that uses chlorine, ultraviolet light, or ozone, to reduce the concentration of the pathogenic constituents of the effluent to an acceptable level before the effluent is discharged."

Page 2, delete lines 14 through 42, begin a new paragraph and insert:

"SECTION 3. IC 13-18-12-9, AS AMENDED BY P.L.104-2022, SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9. (a) This section applies only in a county having a population of more than three hundred fifty thousand (350,000) and less than four hundred thousand (400,000). onsite waste management district established under IC 36-11.

- (b) Except as provided in subsection (c), the point source discharge of sewage, treated or untreated, from a dwelling or its associated residential sewage disposal system to waters is prohibited.
- (c) The point source discharge of treated sewage from an onsite residential sewage discharging disposal system to waters is permitted if:
  - (1) the local health department for the jurisdiction in which the system is located issues an operating permit for the system under subsection (d); and
  - (2) the discharge is authorized under a general permit issued under 40 CFR 122.28.
- (d) In a county onsite waste management district established under IC 36-11 that performs all the functions related to onsite waste management listed in IC 36-11-2-1, the local health department for the jurisdiction in which the system is located may issue an operating permit for an onsite residential sewage discharging disposal system if the system is installed to repair **or replace** a sewage disposal system that fails to meet public health and environmental standards and if:
  - (1) the local health department adopts procedural rules for monitoring onsite residential sewage discharging disposal systems in the jurisdiction, including fines or penalties, or both, for noncompliance, to ensure that:
    - (A) required maintenance is performed on the systems; and
    - (B) the systems do not discharge effluent that violates water



quality standards;

- (2) the local health department certifies, with respect to the system for which the permit is issued, that:
  - (A) the system is capable of operating properly;
  - (B) the system does not discharge effluent that violates water quality standards;
  - (C) an acceptable septic tank soil absorption system cannot be located on the property served by the system because of:
    - (i) soil characteristics;
    - (ii) size; or
    - (iii) topographical conditions;

of the property;

- (D) the system:
  - (i) was properly installed by a qualified installer; and
  - (ii) provides the best available technology for residential discharging onsite sewage disposal systems; and
- (E) the local health department has:
  - (i) investigated all technologies available for repair of the sewage disposal system that fails to meet public health and environmental standards other than the use of an onsite residential sewage discharging disposal system; and
  - (ii) determined that an onsite residential sewage discharging disposal system is the only possible technology that can be used to effect a repair of the sewage disposal system that fails to meet public health and environmental standards without causing unreasonable economic hardship to the system owner; and
- (3) the system for which the permit is issued cannot be connected to a sanitary sewer because:
  - (A) there is not a **local, municipal, or regional** sanitary sewer connection available;
  - (B) the sanitary sewer operator refuses connection; or
  - (C) unreasonable economic hardship would result to the system owner because of:
    - (i) the connection requirements of the sanitary sewer operator; or
    - (ii) the distance to the sanitary sewer.
- (e) For purposes of providing guidance to local health departments in taking the actions and making the determinations described in subsection (d):
  - (1) the technical review panel established under IC 16-19-3-27.5 may adopt guidelines;



- (2) the Indiana department of health, with guidance provided by the technical review panel established under IC 16-19-3-27.5, may issue rules under IC 4-22-2 or adopt guidelines; or
- (3) the environmental rules board may adopt rules under IC 4-22-2 and IC 13-14-9 or adopt guidelines;

concerning onsite residential sewage discharging disposal systems. SECTION 4. IC 13-18-12-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. If the amendment of the National Pollutant Discharge Elimination System (NPDES) general permit issued by the department for the purposes of IC 36-11 is necessary or advisable to enable county onsite waste management districts established under IC 36-11 after June 30, 2023, to function properly and effectively, the department shall amend the general permit as soon as reasonably possible after June 30, 2023."

Delete pages 3 through 8.

Page 10, between lines 27 and 28, begin a new paragraph and insert: "SECTION 5. IC 36-11-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3. "Governing body" means:

- (1) the county executive of the county in which the district is located or proposed to be located; **or**
- (2) the county executive of a county that enters into an interlocal cooperation agreement under IC 36-11-3-1(d) to establish a district containing territory located in two (2) or more counties.

SECTION 6. IC 36-11-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1. (a) The establishment of a district may be initiated only by the governing body.

- (b) The dissolution of a district may be initiated only by the governing body.
- (c) A notice of intent to establish or dissolve a district must be filed in:
  - (1) the office of the executive of each governmental entity having territory within the proposed district or the district proposed for dissolution;
  - (2) the department of environmental management; and
  - (3) the state department of health.
- (d) The governing bodies of two (2) or more counties may establish a single district containing territory located in both or all of the counties by entering into an interlocal cooperation



## agreement.".

Renumber all SECTIONS consecutively. and when so amended that said bill do pass.

(Reference is to SB 414 as printed January 31, 2023.)

**MORRISON** 

Committee Vote: yeas 8, nays 4.

### **HOUSE MOTION**

Mr. Speaker: I move that Engrossed Senate Bill 414 be amended to read as follows:

Replace the effective dates in SECTIONS 1 through 4 with "[EFFECTIVE UPON PASSAGE]".

Replace the effective dates in SECTIONS 6 through 8 with "[EFFECTIVE UPON PASSAGE]".

Page 1, line 11, reset in roman "or".

Page 1, line 12, reset in roman "or" and delete "and".

Page 2, line 10, reset in roman "or" and delete "and".

Page 8, line 3, strike "state" and insert "Indiana".

(Reference is to ESB 414 as printed March 23, 2023.)

**LEHMAN** 

