

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

LS 6801
BILL NUMBER: SB 187

NOTE PREPARED: Jan 13, 2026
BILL AMENDED: Jan 13, 2026

SUBJECT: Regional Sewer Districts.

FIRST AUTHOR: Sen. Bohacek
FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) *Regional Sewer Districts*: This bill specifies that a board of trustees of a regional water, sewage, or solid waste district (board) must consult with the district authority before taking certain actions. It provides that a trustee appointed to a board serves at the pleasure of the appointing authority. It prohibits a regional water, sewage, and solid waste district (district) created after June 30, 2026, from incurring any indebtedness without first obtaining the approval of the county fiscal body. It specifies that if a district created after June 30, 2026, contains territory in more than one county, the district shall first obtain the approval of the county fiscal body of the county that contains more than 50% of the district's service area before the district may incur any indebtedness.

Interim Committee Topic: This bill also urges the Legislative Council to assign to the appropriate interim study committee the task of studying whether to transfer administrative duties related to regional water, sewage, or solid waste districts.

Effective Date: Upon passage; July 1, 2026.

Explanation of State Expenditures: *Interim Committee Topic*: The bill urges the Legislative Council to assign to an interim committee the topic of whether to transfer administrative duties regarding regional water, sewage, and solid waste districts from the Indiana Department of Environmental Management to another agency or entity. If the committee were to hold additional meetings to address this topic, there would be additional expenditures for legislator per diem and travel reimbursement for the committee members. Any additional expenditures must be within the committee's budget, which is established by the Legislative Council.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) *Regional Sewer Districts*: The bill will increase workload for districts, boards, and district authorities regarding the requirements to consult with the appropriate district authority before taking specific actions. It will also increase workload for county councils and city-county councils to provide approval to incur indebtedness for any district created after June 30, 2026.

Explanation of Local Revenues:

State Agencies Affected: Legislative Council.

Local Agencies Affected: Regional water, sewage, or solid waste districts; boards of trustees of a regional water, sewage, or solid waste district; regional sewage district authorities; county councils; city-county councils.

Information Sources:

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