

February 18, 1998

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# ENGROSSED SENATE BILL No. 327

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DIGEST OF SB 327 (Updated February 17, 1998 1:28 pm - DI 94)

**Citations Affected:** IC 6-1.1; IC 36-1; IC 36-7; noncode.

**Synopsis:** Tax sales and infrastructure authority. Requires a county auditor to include the name of the owner of a tract of real property eligible for a tax sale in the notice of the tax sale. Requires the county auditor to mail a copy of the notice by certified mail, return receipt requested, to a mortgagee who requests by certified mail a copy of the notice. Provides that if Lake County fails to offer for sale at a tax sale a property that: (1) is on the delinquency list prepared by the county; and (2) located within the jurisdiction of the City of Gary or the City of East Chicago; the city may offer the property for sale at a tax sale. Provides that the City of Gary and the City of East Chicago may not offer a property for sale for the first time after March 31, 2001. Requires the county auditor to reinstate the real property to the list of property eligible for tax sale if the taxpayer misses a payment under the arrangement. Allows the City of Gary to offer real property within its  
(Continued next page)

**Effective:** July 1, 1998.

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## Skillman

(HOUSE SPONSORS — DOBIS, BOTTORFF, RUPPEL)

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January 8, 1998, read first time and referred to Committee on Governmental and Regulatory Affairs.

January 29, 1998, amended, reported favorably — Do Pass.

February 2, 1998, read second time, ordered engrossed. Engrossed.

February 3, 1998, read third time, passed. Yeas 48, nays 0.

HOUSE ACTION

February 10, 1998, read first time and referred to Committee on Local Government.

February 17, 1998, amended, reported — Do Pass.

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ES 327—LS 7104/DI 92+



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jurisdiction for sale at an expedited second tax sale if the property fails to receive the minimum amount in a county tax sale. Provides for the execution of a tax deed to the City of Gary if the property does sell at the expedited tax sale. Provides for the disposal of real property acquired by the City of Gary. Provides that the City of Gary may not hold a tax sale after March 31, 2001. Allows the City of East Chicago to offer real property within its jurisdiction for sale at an expedited second tax sale if the property fails to receive the minimum amount in a county tax sale. Provides for the execution of a tax deed to the City of East Chicago if the property does not sell at the expedited tax sale. Provides for the disposal of real property acquired by the City of East Chicago. Provides that the City of East Chicago may not hold a tax sale after March 31, 2001. Allows the City of Gary and the City of East Chicago to conduct an additional tax sale in 1998 for the sale of properties on which at least six property tax installments are delinquent. Allows any combination of cities, towns, and counties to form a multiple jurisdiction infrastructure authority to promote cooperation to assist in developing the units participating in the authority. Eliminates the law authorizing two (2) or more counties to establish a multiple county authority to perform responsibilities similar to a multiple jurisdiction infrastructure authority. Requires that members of the authority must be elected officials.

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February 18, 1998

Second Regular Session 110th General Assembly (1998)

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 1997 General Assembly.

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## ENGROSSED SENATE BILL No. 327

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A BILL FOR AN ACT to amend the Indiana Code concerning local government.

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

- 1 SECTION 1. IC 6-1.1-24-1.2, AS AMENDED BY P.L.30-1994,  
2 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 1998]: Sec. 1.2. (a) **Except as provided in subsection (c)**, a  
4 tract or an item of real property may not be removed from the list  
5 certified under section 1 of this chapter before the tax sale unless all  
6 delinquent taxes, special assessments, penalties due on the  
7 delinquency, interest, and costs directly attributable to the tax sale have  
8 been paid in full.  
9 (b) A county treasurer may accept partial payments of delinquent  
10 property taxes, assessments, penalties, interest, or costs under  
11 subsection (a) after the list of real property is certified under section 1  
12 of this chapter.  
13 (c) **A county auditor may remove a tract or an item of real  
14 property from the list certified under section 1 of this chapter**

ES 327—LS 7104/DI 92+



1 before the tax sale if the county auditor, the county treasurer and  
 2 the taxpayer agree to a mutually satisfactory arrangement for the  
 3 payment of the delinquent taxes.

4 (d) The county treasurer may remove the tract or item from the  
 5 list certified under section 1 of this chapter if the arrangement  
 6 described in subsection (c):

7 (1) is in writing;

8 (2) is signed by the taxpayer; and

9 (3) requires the taxpayer to pay the delinquent taxes in full  
 10 within one (1) year of the date the agreement is signed.

11 (e) If the taxpayer fails to make a payment under the  
 12 arrangement described in subsection (c), the county auditor shall  
 13 immediately place the tract or item of real property on the list of  
 14 real property eligible for sale at a tax sale.

15 (f) If the tract or item of real property subject to a payment  
 16 arrangement described in subsection (c) is within the jurisdiction  
 17 of a:

18 (1) city having a population of more than one hundred ten  
 19 thousand (110,000) but less than one hundred twenty  
 20 thousand (120,000); or

21 (2) city having a population of more than thirty-three  
 22 thousand eight hundred fifty (33,850) but less than thirty-five  
 23 thousand (35,000);

24 the county auditor shall notify the mayor of the city of the  
 25 arrangement.

26 SECTION 2. IC 6-1.1-24-2, AS AMENDED BY P.L.56-1996,  
 27 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 28 JULY 1, 1998]: Sec. 2. (a) In addition to the delinquency list required  
 29 under section 1 of this chapter, each county auditor shall prepare a  
 30 notice. The notice shall contain the following:

31 (1) A list of tracts or real property eligible for sale under this  
 32 chapter.

33 (2) A statement that the tracts or real property included in the list  
 34 will be sold at public auction to the highest bidder.

35 (3) A statement that the tracts or real property will not be sold for  
 36 an amount which is less than the sum of:

37 (A) the delinquent taxes and special assessments on each tract  
 38 or item of real property;

39 (B) the taxes and special assessments on each tract or item of  
 40 real property that are due and payable in the year of the sale,  
 41 whether or not they are delinquent;

42 (C) all penalties due on the delinquencies;



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(D) an amount prescribed by the county auditor that equals the sum of:

(i) twenty-five dollars (\$25) for postage and publication costs; and

(ii) any other actual costs incurred by the county that are directly attributable to the tax sale; and

(E) any unpaid costs due under subsection (b) from a prior tax sale.

(4) A statement that a person redeeming each tract or item of real property after the sale must pay an interest charge of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property after the tax sale.

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

**(6) A statement indicating:**

**(A) the name of the owner of each tract or item of real property with a single owner; or**

**(B) the name of at least one (1) of the owners of each tract or item of real property with multiple owners.**

~~(6)~~ (7) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

(A) A statement that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder.

(B) A statement that any defense to the application for judgment must be filed with the court before the date designated as the earliest date on which the application for judgment may be filed.

(C) A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.

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1           ~~(7)~~ **(8)** A statement that the sale will be conducted at a place  
2 designated in the notice and that the sale will continue until all  
3 tracts and real property have been offered for sale.

4           ~~(8)~~ **(9)** A statement that the sale will take place at the times and  
5 dates designated in the notice. Except as provided in section 5.5  
6 of this chapter, the sale must take place on or after August 1 and  
7 before November 1 of each year.

8           ~~(9)~~ **(10)** A statement that a person redeeming each tract or item  
9 after the sale must pay the costs described in IC 6-1.1-25-2(d).

10           ~~(10)~~ **(11)** If a county auditor and county treasurer have entered  
11 into an agreement under IC 6-1.1-25-4.7, a statement that the  
12 county auditor will perform the duties of the notification and title  
13 search under IC 6-1.1-25-4.5 and the notification and petition to  
14 the court for the tax deed under IC 6-1.1-25-4.6.

15           (b) If within sixty (60) days before the date of the tax sale the county  
16 incurs costs set under subsection (a)(3)(D) and those costs are not paid,  
17 the county auditor shall enter the amount of costs that remain unpaid  
18 upon the tax duplicate of the property for which the costs were set. The  
19 county treasurer shall mail notice of unpaid costs entered upon a tax  
20 duplicate under this subsection to the owner of the property identified  
21 in the tax duplicate.

22           (c) The amount of unpaid costs entered upon a tax duplicate under  
23 subsection (b) must be paid no later than the date upon which the next  
24 installment of real estate taxes for the property is due. Unpaid costs  
25 entered upon a tax duplicate under subsection (b) are a lien against the  
26 property described in the tax duplicate, and amounts remaining unpaid  
27 on the date the next installment of real estate taxes is due may be  
28 collected in the same manner that delinquent property taxes are  
29 collected.

30           SECTION 3. IC 6-1.1-24-3, AS AMENDED BY P.L.39-1994,  
31 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
32 JULY 1, 1998]: Sec. 3. (a) When real property is eligible for sale under  
33 this chapter, the county auditor shall post a copy of the notice required  
34 by sections 2 and 2.2 of this chapter at a public place of posting in the  
35 county courthouse at least twenty-one (21) days before the earliest date  
36 of application for judgment. In addition, the county auditor shall  
37 publish the notice required in sections 2 and 2.2 of this chapter in the  
38 manner prescribed in IC 6-1.1-22-4(b) once each week for three (3)  
39 consecutive weeks before the earliest date on which the application for  
40 judgment may be made. The expenses of this publication shall be paid  
41 out of the county general fund without prior appropriation.

42           (b) At least twenty-one (21) days before the application for



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1 judgment is made, the county auditor shall mail a copy of the notice  
 2 required by sections 2 and 2.2 of this chapter by certified mail, **return**  
 3 **receipt requested**, to any mortgagee who annually requests, **by**  
 4 **certified mail**, a copy of the notice. However, the failure of the county  
 5 auditor to mail this notice or its nondelivery does not affect the validity  
 6 of the judgment and order.

7 (c) The advertisement published under section 4(b) of this chapter  
 8 is considered sufficient notice of the intended application for judgment  
 9 and of the sale of real property under the order of the court.

10 SECTION 4. IC 6-1.1-24-5.2 IS ADDED TO THE INDIANA  
 11 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 12 [EFFECTIVE JULY 1, 1998]: **Sec. 5.2. (a) This section applies to a**  
 13 **county having a population of more than four hundred thousand**  
 14 **(400,000) but less than seven hundred thousand (700,000).**

15 (b) **If:**

16 (1) **a tract or an item of real property is on the delinquency**  
 17 **list prepared under section 1 of this chapter;**

18 (2) **the county does not offer the tract or item of real property**  
 19 **for sale under sections 1 through 5 of this chapter; and**

20 (3) **the tract or item of real property is within the jurisdiction**  
 21 **of:**

22 (A) **a city having a population of more than thirty-three**  
 23 **thousand eight hundred fifty (33,850) but less than**  
 24 **thirty-five thousand (35,000); or**

25 (B) **a city having a population of more than one hundred**  
 26 **ten thousand (110,000) but less than one hundred twenty**  
 27 **thousand (120,000);**

28 **the tract or item of real property may be offered for sale by the**  
 29 **city in a manner consistent with the provisions of sections 1**  
 30 **through 5 of this chapter and subsections (c) and (d).**

31 (c) **Notwithstanding any other law, the city may offer a tract or**  
 32 **item of real property described in subsection (b) for sale on a date**  
 33 **that is on or after January 1 and before March 31 of the year**  
 34 **immediately following the year in which the property was placed**  
 35 **on the delinquency list prepared under section 1 of this chapter. A**  
 36 **sale conducted under this section must be held on the same date**  
 37 **that the city conducts an expedited tax sale under section 5.6 of this**  
 38 **chapter.**

39 (d) **All notice and judgment requirements set forth in this**  
 40 **chapter and IC 6-1.1-25 are applicable to a city tax sale under**  
 41 **subsection (b).**

42 (e) **This section expires June 30, 2001.**



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1 SECTION 5. IC 6-1.1-24-5.6 IS ADDED TO THE INDIANA  
 2 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 3 [EFFECTIVE JULY 1, 1998]: Sec. 5.6. (a) This section applies to:

4 (1) a city having a population of more than one hundred ten  
 5 thousand (110,000) but less than one hundred twenty  
 6 thousand (120,000); and

7 (2) a city having a population of more than thirty-three  
 8 thousand eight hundred fifty (33,850) but less than thirty-five  
 9 thousand (35,000).

10 (b) If:

11 (1) a tract or an item of real property within the jurisdiction  
 12 of the city is offered for sale under sections 1 through 5 of this  
 13 chapter; and

14 (2) an amount is not received that is at least equal to the  
 15 minimum sale price required under section 5(e) of this  
 16 chapter;

17 the tract or an item of real property may be offered for sale a  
 18 second time consistent with the provisions of sections 1 through 5  
 19 of this chapter or subsection (c).

20 (c) Notwithstanding any other law, if:

21 (1) a tract or an item of real property within the jurisdiction  
 22 of the city is offered for sale under sections 1 through 5 of this  
 23 chapter;

24 (2) an amount is not received that is at least equal to the  
 25 minimum sale price required under section 5(e) of this  
 26 chapter; and

27 (3) the county auditor and the mayor of the city jointly agree  
 28 to an expedited tax sale under this subsection;

29 the city may offer the tract or item of real property for sale a  
 30 second time on a date that is on or after January 1 and before  
 31 March 31 of the year immediately following the year in which the  
 32 property was initially offered for sale and at least ninety (90) days  
 33 after the date of the initial sale.

34 (d) All notice and judgment requirements set forth in this  
 35 chapter and IC 6-1.1-25 are applicable to the second expedited tax  
 36 sale under subsection (c).

37 (e) If the city offers a tract or item of real property for sale at an  
 38 expedited sale under subsection (c), the county may not offer the  
 39 tract or item of real property for sale under section 5.5 of this  
 40 chapter.

41 (f) This section expires June 30, 2001.

42 SECTION 6. IC 6-1.1-24-6.6 IS ADDED TO THE INDIANA



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1 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 1998]: **Sec. 6.6. (a) This section applies to:**

3 (1) a city having a population of more than one hundred ten  
 4 thousand (110,000) but less than one hundred twenty  
 5 thousand (120,000); and

6 (2) a city having a population of more than thirty-three  
 7 thousand eight hundred fifty (33,850) but less than thirty-five  
 8 thousand (35,000).

9 (b) When a tract or an item of real property is offered for sale  
 10 under section 5.2 or 5.6 of this chapter and an amount is not  
 11 received equal to or in excess of the minimum sale price prescribed  
 12 in section 5(e) of this chapter, the city acquires a lien in the amount  
 13 of the minimum sale price. This lien attaches on the day after the  
 14 last date on which the tract or item was offered for sale under  
 15 section 5.2 or 5.6 of this chapter.

16 (c) When a city acquires a lien under this section, the county  
 17 auditor shall issue a tax sale certificate to the city in the manner  
 18 provided in section 9 of this chapter. The county auditor shall date  
 19 the certificate the day that the city acquires the lien. When a city  
 20 acquires a certificate under this section, the city has the same  
 21 rights as a purchaser. However, the city shall hold the property for  
 22 the taxing units described in subsection (d).

23 (d) When a lien is acquired by the city under this section, no  
 24 money shall be paid by the city. However, each of the taxing units  
 25 having an interest in the taxes on the tract shall be credited with  
 26 the full amount of all delinquent taxes due them.

27 (e) **This section expires June 30, 2001.**

28 SECTION 7. IC 6-1.1-24-9, AS AMENDED BY P.L.56-1996,  
 29 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JULY 1, 1998]: **Sec. 9. (a) Immediately after a tax sale purchaser pays**  
 31 **his bid, as evidenced by the receipt of the county treasurer, or**  
 32 **immediately after the county acquires a lien under section 6 of this**  
 33 **chapter or a city acquires a lien under section 6.6 of this chapter,**  
 34 **the county auditor shall deliver a certificate of sale to the purchaser or**  
 35 **to the county or to the city. The certificate shall be signed by the**  
 36 **auditor and registered in his office. The certificate shall contain:**

37 (1) a description of real property which corresponds to the  
 38 description used on the notice of sale;

39 (2) the name of the former owner, if known;

40 (3) the name of the purchaser;

41 (4) the date of sale;

42 (5) the amount for which the real property was sold;



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1 (6) the amount of the minimum bid for which the tract or real  
 2 property was offered at the time of sale as required by section 5  
 3 of this chapter; and

4 (7) the date when the purchaser is first entitled to request a deed  
 5 to the property.

6 (b) When a certificate of sale is issued under this section, the  
 7 purchaser acquires a lien against the real property for the entire amount  
 8 that he paid. The lien of the purchaser is superior to all liens against the  
 9 real property which exist at the time the certificate is issued.

10 (c) A certificate of sale is assignable. However, an assignment is not  
 11 valid unless it is endorsed on the certificate of sale, acknowledged  
 12 before an officer authorized to take acknowledgments of deeds, and  
 13 registered in the office of the county auditor. When a certificate of sale  
 14 is assigned, the assignee acquires the same rights and obligations that  
 15 the original purchaser acquired.

16 SECTION 8. IC 6-1.1-25-4.2 IS ADDED TO THE INDIANA  
 17 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 18 [EFFECTIVE JULY 1, 1998]: **Sec. 4.2. (a) This section applies to:**

19 (1) a city having a population of more than one hundred ten  
 20 thousand (110,000) but less than one hundred twenty  
 21 thousand (120,000); and

22 (2) a city having a population of more than thirty-three  
 23 thousand eight hundred fifty (33,850) but less than thirty-five  
 24 thousand (35,000).

25 (b) If a certificate of sale is issued to a purchaser under  
 26 IC 6-1.1-24-9 and the real property is not redeemed within one  
 27 hundred twenty (120) days after the date of sale under  
 28 IC 6-1.1-24-5.2(b) or IC 6-1.1-24-5.6(b), as extended by compliance  
 29 with the notice provisions in section 4.5 of this chapter, the county  
 30 auditor shall, upon receipt of the certificate and subject to the  
 31 limitations contained in this chapter, execute and deliver a deed for  
 32 the property to the purchaser.

33 (c) If a certificate of sale is issued to the city under IC 6-1.1-24-9  
 34 and the real property is not redeemed within one hundred  
 35 twenty (120) days after the date of the sale, the county auditor  
 36 shall, upon receipt of the certificate and subject to the limitations  
 37 in this chapter, issue a deed for the property to the city.

38 (d) The county auditor shall execute deeds issued under this  
 39 section in the name of the state under the county auditor's name  
 40 and seal. If a certificate of sale is lost before the execution of a  
 41 deed, the county auditor shall, subject to the limitations in this  
 42 chapter, execute and deliver a deed if the court has made a finding



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1 that the certificate did exist.

2 (e) When a deed for real property is executed under this section,  
3 the county auditor shall cancel the certificate of sale and file the  
4 canceled certificate in the office of the county auditor.

5 (f) When a deed is issued to the city under this section, the taxes  
6 and special assessments for which the real property was offered for  
7 sale and all subsequent taxes, special assessments, interest,  
8 penalties, and costs of sale shall be removed from the tax duplicate  
9 in the same manner that taxes are removed by certificate of error.

10 (g) A tax deed executed under this section vests in the grantee an  
11 estate in fee simple absolute, free and clear of all liens and  
12 encumbrances created or suffered before or after the tax sale  
13 except those liens granted priority under federal law and the lien  
14 of the state or a political subdivision for taxes and special  
15 assessments that accrue subsequent to the sale and that are not  
16 removed under subsection (f). However, the estate is subject to all  
17 easements, covenants, declarations, and other deed restrictions and  
18 laws governing land use, including all zoning restrictions and liens  
19 and encumbrances created or suffered by the purchaser at the tax  
20 sale. The deed is prima facie evidence of:

- 21 (1) the regularity of the sale of the real property described in  
22 the deed;  
23 (2) the regularity of all proper proceedings; and  
24 (3) valid title in fee simple in the grantee of the deed.

25 (h) Notwithstanding the provisions of subsection (c), a county  
26 auditor is not required to execute a deed to the city under  
27 subsection (c) if the mayor determines that the property involved  
28 contains hazardous waste or another environmental hazard for  
29 which the cost of abatement or alleviation will exceed the fair  
30 market value of the property.

31 (i) This section expires September 30, 2001.

32 SECTION 9. IC 6-1.1-25-5.5 IS AMENDED TO READ AS  
33 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 5.5. (a) The deed given  
34 by the county auditor to a county which acquired property under  
35 IC 6-1.1-24-6, or to a city agency which acquired property under  
36 IC 36-7-17, shall be in a form prescribed by the state board of accounts  
37 and approved by the attorney general.

38 (b) The deed given by the county auditor to a city that acquires  
39 property under IC 6-1.1-24-6.6 must be in a form prescribed by the  
40 state board of accounts and approved by the attorney general.

41 SECTION 10. IC 6-1.1-25-7, AS AMENDED BY P.L.2-1995,  
42 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 1998]: Sec. 7. (a) The holder of a certificate of sale, or his  
 2 successors or assigns, shall have the county auditor execute a deed to  
 3 the real property within two (2) years after the date of the sale. If the  
 4 purchaser, or his successors or assigns, fails to have the county auditor  
 5 execute a deed within that time period, the purchaser's lien against the  
 6 real property terminates at the end of the time period. However, this  
 7 section does not apply if the county **or city** is the holder of the  
 8 certificate of sale.

9 (b) If the purchaser does not provide notice prior to the expiration  
 10 of the period of redemption as specified in IC 6-1.1-25-4.5, the  
 11 purchaser's lien against the real property terminates thirty-one (31) days  
 12 after the expiration of the redemption period.

13 SECTION 11. IC 6-1.1-25-9.5 IS ADDED TO THE INDIANA  
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 15 [EFFECTIVE JULY 1, 1998]: **Sec. 9.5. (a) This section applies to:**

16 (1) **a city having a population of more than one hundred ten**  
 17 **thousand (110,000) but less than one hundred twenty**  
 18 **thousand (120,000); and**

19 (2) **a city having a population of more than thirty-three**  
 20 **thousand eight hundred fifty (33,850) but less than thirty-five**  
 21 **thousand (35,000).**

22 (b) **Whenever a city acquires title to real property under**  
 23 **IC 6-1.1-24 and this chapter, the city may dispose of the real**  
 24 **property under IC 36-1-11 or subsection (f). The proceeds of a sale**  
 25 **under IC 36-1-11 must be applied as follows:**

26 (1) **First, to the cost of the sale, including the cost of**  
 27 **maintenance, preservation, and administration of the**  
 28 **property before sale, including prior unpaid costs of sales,**  
 29 **preparation of the property for sale, advertising, and**  
 30 **appraisal.**

31 (2) **Second, to the payment of the taxes that were removed**  
 32 **from the tax duplicate under section 4.2(f) of this chapter.**

33 (3) **Third, any surplus remaining must be deposited in the**  
 34 **city's general fund.**

35 (c) **The mayor or the mayor's designee shall file a report with**  
 36 **the county board of commissioners before January 31. The report**  
 37 **must:**

38 (1) **list the real property acquired under IC 6-1.1-24 and this**  
 39 **chapter; and**

40 (2) **indicate if a person resides or conducts a business on the**  
 41 **property.**

42 (d) **The city shall mail a notice by certified mail before March 31**



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1 of each year to each person listed in subsection (c)(2). The notice  
 2 must state that the city has acquired title to the tract the person  
 3 occupies.

4 (e) If the city determines under IC 36-1-11 that real property  
 5 acquired under IC 6-1.1-24 or this chapter must be retained by the  
 6 city, the city may not dispose of the real property. The mayor or  
 7 the mayor's designee may repair, maintain, equip, alter, and  
 8 construct buildings upon the real property retained under this  
 9 section in the same manner prescribed for other city buildings.

10 (f) The city may transfer title to real property described in  
 11 subsection (b) to its redevelopment commission at no cost to the  
 12 commission for sale or grant under IC 36-7-14-22.1.

13 (g) This section expires December 31, 2001.

14 SECTION 12. IC 36-1-11-3, AS AMENDED BY P.L.82-1995,  
 15 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 1998]: Sec. 3. (a) This section does not apply to the disposal  
 17 of real property under section 5, 5.5, or 8 of this chapter.

18 (b) Disposal of real property under this chapter is subject to the  
 19 approval of:

- 20 (1) the executive of the political subdivision or agency; or
- 21 (2) the fiscal body of the political subdivision or agency, if there  
 22 is no executive.

23 The executive or fiscal body may not approve a disposal of property  
 24 without conducting a public hearing after giving notice under IC 5-3-1.  
 25 However, in a municipality the executive shall designate a board or  
 26 commission of the municipality to give notice, conduct the hearing, and  
 27 notify the executive of its recommendation.

28 (c) In addition, the fiscal body of a unit must approve:

- 29 (1) every sale of real property having an appraised value of fifty  
 30 thousand dollars (\$50,000) or more;
- 31 (2) every lease of real property for which the total annual rental  
 32 payments will be twenty-five thousand dollars (\$25,000) or more;  
 33 and
- 34 (3) every transfer of real property under section 14 or 15 of this  
 35 chapter.

36 (d) Notwithstanding subsection (c), the fiscal body of a city  
 37 having a population of more than one hundred ten thousand  
 38 (110,000) but less than one hundred twenty thousand (120,000)  
 39 must approve:

- 40 (1) every sale of real property having an appraised value of  
 41 ten thousand dollars (\$10,000) or more;
- 42 (2) every lease of real property for which the total annual



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1 rental payments will be five thousand dollars (\$5,000) or  
2 more; and

3 (3) every transfer of real property under section 14 or 15 of  
4 this chapter.

5 (e) Notwithstanding subsection (c), the fiscal body of a city  
6 having a population of more than thirty-three thousand eight  
7 hundred fifty (33,850) but less than thirty-five thousand (35,000)  
8 must approve:

9 (1) every sale of real property having an appraised value of  
10 ten thousand dollars (\$10,000) or more;

11 (2) every lease of real property for which the total annual  
12 rental payments will be five thousand dollars (\$5,000) or  
13 more; and

14 (3) every transfer of real property under section 14 or 15 of  
15 this chapter.

16 SECTION 13. IC 36-7-23-1 IS AMENDED TO READ AS  
17 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 1. As used in this  
18 chapter, "authority" refers to a multiple ~~county~~ **jurisdiction**  
19 **infrastructure** authority established ~~by~~ **under** this chapter.

20 SECTION 14. IC 36-7-23-3.7 IS ADDED TO THE INDIANA  
21 CODE AS A NEW SECTION TO READ AS FOLLOWS  
22 [EFFECTIVE JULY 1, 1998]: **Sec. 3.7. This chapter applies to all**  
23 **units except townships.**

24 SECTION 15. IC 36-7-23-4 IS AMENDED TO READ AS  
25 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 4. (a) A multiple  
26 ~~county~~ **jurisdiction infrastructure** authority may be established under  
27 this chapter by:

28 (1) ordinance of the fiscal body of each ~~county~~ **unit** participating  
29 in the authority; and

30 (2) **if a county is one (1) of the units participating in the**  
31 **authority**, the order of the executive of ~~each that~~ **county;**  
32 ~~participating in the authority. and~~

33 (3) **an agreement among the participating units, executed by**  
34 **the executive of each participating unit following the approval**  
35 **of the legislative body of each of the participating units.**

36 (b) The authority is a public body corporate and politic. The  
37 authority is separate from the state, but the exercise by the authority of  
38 its powers is an essential governmental function.

39 (c) An agreement to establish an authority must include:

40 (1) more than one (1) ~~county~~ **unit** as a participant; and

41 (2) a formula for distributing funds ~~from local taxes~~ contributed  
42 by a ~~county~~ **or a municipality wholly or partially located in a**

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1 county included in the agreement. ~~the units participating in the~~  
2 ~~authority.~~

3 (d) **An authority may add additional participating units at any**  
4 **time by following the procedures set forth in subsection (a).**

5 (e) **A unit may participate in more than one (1) authority.**

6 SECTION 16. IC 36-7-23-5 IS AMENDED TO READ AS  
7 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 5. The purpose of the  
8 authority is to **promote cooperation among the units participating**  
9 **in the authority in order to** assist the development of the ~~incorporated~~  
10 ~~and unincorporated areas of each county~~ **units** included in the  
11 agreement by doing the following:

12 (1) Utilizing private and public sector resources to address  
13 development problems and opportunities.

14 (2) **Planning**, developing, rehabilitating, and otherwise managing  
15 ~~regional infrastructures and other regional services.~~  
16 **infrastructure located in the authority's jurisdiction.**

17 (3) Supplementing, but not supplanting, traditional local or state  
18 responsibilities.

19 (4) Providing financial resources to local communities to address  
20 their infrastructure needs.

21 (5) Providing revenue bonding capacity and resources for bond  
22 retirement, or lease rental capacity and resources, that can be  
23 directed to development or recapitalization of ~~the regional~~  
24 **infrastructure located in the authority's jurisdiction.**

25 (6) Providing the means to develop revenue producing  
26 infrastructure ventures, where revenue can be rechanneled back  
27 into the overall infrastructure development effort.

28 (7) Providing an overall balanced infrastructure investment  
29 strategy that addresses important ~~regional~~ **needs of the**  
30 **participating units for capital projects.**

31 (8) Providing operating involvement appropriate to each  
32 infrastructure component.

33 (9) Providing for a continuing and stable source of public funding  
34 for ~~regional~~ infrastructure development **for participating units.**

35 (10) Providing the mechanism to address other regional services  
36 as determined to be appropriate by the board.

37 SECTION 17. IC 36-7-23-9 IS AMENDED TO READ AS  
38 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 9. The powers of the  
39 authority are vested in a board of directors. The board is comprised of  
40 the following members:

41 (1) One (1) member appointed by the ~~county~~ executive of each  
42 ~~county.~~ **unit participating in the authority.**

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1 (2) One (1) member appointed by the ~~county~~ fiscal body of each  
2 **county unit participating in the authority.**

3 ~~(3) The executive director of the authority.~~

4 SECTION 18. IC 36-7-23-10 IS AMENDED TO READ AS  
5 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 10. (a) A member  
6 appointed under section 9 of this chapter ~~by a county executive or~~  
7 ~~county fiscal body~~ must be a resident of the **county unit** whose officials  
8 or representatives make the appointment.

9 (b) A member appointed under section 9(1) or 9(2) of this chapter  
10 by a **county unit** executive or **county unit** fiscal body must be an  
11 elected official of the **county unit** whose officials or representatives  
12 make the appointment.

13 SECTION 19. IC 36-7-23-11 IS AMENDED TO READ AS  
14 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 11. (a) A member of  
15 the board appointed under ~~section 9(1) through 9(2)~~ **section 9** of this  
16 chapter serves a term of four (4) years.

17 (b) The agreement establishing the authority under this chapter must  
18 provide:

19 (1) that the terms of the initial members appointed under section  
20 9(1) through 9(2) of this chapter expire after one (1), two (2),  
21 three (3), or four (4) years; and

22 (2) for approximately twenty-five percent (25%) of the terms of  
23 the initial members appointed under ~~section 9(1) through 9(2)~~  
24 **section 9** of this chapter to expire in each of the first four (4)  
25 years that the agreement is in effect.

26 SECTION 20. IC 36-7-23-12 IS AMENDED TO READ AS  
27 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 12. The **officials**  
28 **responsible for appointing authority members of the board** shall fill  
29 a vacancy on the board among the members appointed under ~~section~~  
30 ~~9(1) through 9(3)~~ **section 9** of this chapter by appointment for the  
31 unexpired term.

32 SECTION 21. IC 36-7-23-13 IS AMENDED TO READ AS  
33 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 13. (a) A member of  
34 the board is entitled to reimbursement for traveling expenses and other  
35 expenses actually incurred in connection with the member's duties, as  
36 provided in the state travel policies and procedures established by the  
37 department of administration and approved by the budget agency.

38 (b) **A member of the board is not entitled to either a salary or a**  
39 **per diem for services rendered in connection with the member's**  
40 **duties.**

41 SECTION 22. IC 36-7-23-15 IS AMENDED TO READ AS  
42 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 15. The members shall

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1 elect:  
 2 (1) a ~~vice~~ chairman;  
 3 (2) a ~~secretary~~; **vice chairman**;  
 4 **(3) a secretary**; and  
 5 ~~(3)~~ **(4)** other officers determined to be necessary for the board to  
 6 function;  
 7 at the first meeting of the board in January of each year.  
 8 SECTION 23. IC 36-7-23-17 IS AMENDED TO READ AS  
 9 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 17. (a) A majority of  
 10 the members of the board constitutes a quorum for the transaction of  
 11 business. The affirmative vote of a majority of the board is necessary  
 12 for an action to be taken by the board.  
 13 (b) A member may vote by written proxy delivered in advance to  
 14 ~~another member~~ **the chairman or secretary** of the board.  
 15 (c) A vacancy in the membership of the board does not impair the  
 16 right of a quorum to exercise all rights and perform all duties of the  
 17 board.  
 18 SECTION 24. IC 36-7-23-32 IS AMENDED TO READ AS  
 19 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 32. (a) The board ~~shall~~  
 20 **may** appoint an executive director of the authority.  
 21 (b) ~~Whenever a vacancy exists in the office of~~ **If the board**  
 22 **determines to appoint an** executive director, the board shall appoint  
 23 a nominating committee composed of members of the board. The  
 24 committee must submit a recommendation to the board concerning the  
 25 individuals qualified to serve as executive director.  
 26 SECTION 25. IC 36-7-23-33 IS AMENDED TO READ AS  
 27 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 33. The executive  
 28 director shall:  
 29 (1) administer, manage, and direct the affairs and activities of the  
 30 authority in accordance with the policies of the board and under  
 31 the control and direction of the board;  
 32 ~~(2) preside as chairman at the meetings of the board;~~  
 33 ~~(3)~~ **(2)** maintain and be custodian of all books, documents, and  
 34 papers filed with the authority and the official seal of the  
 35 authority; and  
 36 ~~(4)~~ **(3)** perform other duties directed by the members to carry out  
 37 the purposes of this chapter.  
 38 SECTION 26. IC 36-7-23-52 IS AMENDED TO READ AS  
 39 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 52. (a) A resolution  
 40 establishing just and reasonable fees, rates, and charges for the use of  
 41 infrastructures under this chapter may be ~~adopted~~ **adopted** by the board  
 42 after a public hearing. Notice of the hearing must be published ~~and~~

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1 posted, in each county that is a member of the authority, one (1) time,  
2 at least ten (10) days before the hearing, in one (1) newspaper  
3 published in each county in which a participating unit is located in  
4 accordance with IC 5-3-1. The notice must provide a summary of the  
5 resolution.

6 (b) Fees, rates, and charges adopted by the authority for a particular  
7 infrastructure shall comply with statutes authorizing units to adopt fees,  
8 rates, and charges for that particular type of infrastructure or, if there  
9 is no statute authorizing units to adopt fees, rates, and charges for that  
10 particular type of infrastructure, the fees, rates, and charges must  
11 comply with IC 36-1-3.

12 SECTION 27. IC 36-7-23-53 IS AMENDED TO READ AS  
13 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 53. (a) An authority  
14 may enter into a lease of any infrastructure that could be financed with  
15 the proceeds of bonds issued under this chapter with a lessor for a term  
16 not to exceed fifty (50) years, and the lease may provide for payments  
17 to be made by the authority from any revenues of the authority.

18 (b) A lease may provide that payments by the authority to the lessor  
19 are required only to the extent and only for the period that the lessor is  
20 able to provide the leased infrastructure in accordance with the lease.  
21 The terms of each lease must be based upon the value of the  
22 infrastructure leased and may not create a debt of the authority or a  
23 county member for purposes of the Constitution of the State of Indiana.

24 (c) A lease may be entered into by the authority only after a public  
25 hearing by the board at which all interested parties are provided the  
26 opportunity to be heard. After the public hearing, the board may adopt  
27 a resolution authorizing the execution of the lease on behalf of the  
28 authority if the board finds that the service to be provided throughout  
29 the term of the lease will serve the public purpose of the authority and  
30 is in the best interests of its residents.

31 (d) The authority may:

- 32 (1) pledge revenues to make payments under the lease; and
- 33 (2) establish a special fund to make the payments.

34 (e) Lease rentals may be limited to money in the special fund so that  
35 the obligations of the authority to make the lease rental payments are  
36 not considered debt of the authority or a county member for purposes  
37 of the Constitution of the State of Indiana.

38 (f) Except as provided in this section, no approvals of any  
39 governmental body or agency are required before the authority enters  
40 into a lease under this section.

41 SECTION 28. IC 36-7-23-58 IS AMENDED TO READ AS  
42 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 58. The infrastructure,

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1 or any part of ~~them~~, **the infrastructure**, to be financed under this  
 2 chapter, may be financed by any one (1) or more or any combination of  
 3 one (1) or more of the methods provided for in this chapter. The  
 4 authority may pledge any money or mortgage or pledge property  
 5 available to it under this chapter as set forth in IC 5-1-14-4 and any  
 6 ~~county~~ member may pledge any money or mortgage or pledge property  
 7 available to it to the authority as set forth in the agreement creating the  
 8 authority. Any such pledge or mortgage by a ~~county~~ member to the  
 9 authority shall be governed by and binding under IC 5-1-14-4.

10 SECTION 29. [EFFECTIVE UPON PASSAGE] (a) **This**  
 11 **SECTION applies to the following:**

12 (1) **A city having a population of more than one hundred ten**  
 13 **thousand (110,000) but less than one hundred twenty**  
 14 **thousand (120,000).**

15 (2) **A city having a population of more than thirty-three**  
 16 **thousand eight hundred fifty (33,850) but less than thirty-five**  
 17 **thousand (35,000).**

18 (b) **Within fifteen (15) days after a list of delinquent properties**  
 19 **prepared under IC 6-1.1-24-1 is certified to the county auditor, the**  
 20 **county auditor shall notify the mayor that the list is available for**  
 21 **inspection. Upon notification, the mayor or the mayor's designee**  
 22 **may examine the list to determine whether there are properties on**  
 23 **the list that meet the following criteria for sale at a tax sale**  
 24 **conducted by the city:**

25 (1) **The property is within the city's jurisdiction.**

26 (2) **At least six (6) installments of property taxes are**  
 27 **delinquent.**

28 (c) **If the mayor or the mayor's designee determines that any of**  
 29 **the properties included on the list are eligible for sale by the city,**  
 30 **the mayor or the mayor's designee shall notify the county auditor**  
 31 **that the city wishes to hold a tax sale of certain properties on the**  
 32 **list. The mayor or the mayor's designee shall specifically identify**  
 33 **the parcels or tracts that the city wishes to include in a tax sale.**  
 34 **The mayor or the mayor's designee shall provide the notice**  
 35 **required by this subsection to the county auditor within fifteen (15)**  
 36 **days after the county auditor notifies the mayor that the tax sale**  
 37 **list is available for inspection.**

38 (d) **Upon receiving notification that the city wishes to hold an**  
 39 **immediate tax sale, the county auditor shall authorize the city to**  
 40 **hold a tax sale. The county auditor shall also remove the parcels or**  
 41 **tracts specified by the city from the list prepared under**  
 42 **IC 6-1.1-24-1.**



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1 (e) The city shall place on a tax sale list the parcels or tracts that  
 2 will be included in the city's tax sale. A tax sale conducted by the  
 3 city under this SECTION is in addition to a tax sale conducted  
 4 under IC 6-1.1-24-5.6, as added by this act. Except as otherwise  
 5 provided, the city has the same rights and obligations as the county  
 6 under IC 6-1.1-24 and IC 6-1.1-25 with respect to the tax sale.

7 (f) A tax sale held under this SECTION must take place on or  
 8 after August 1, 1998, and before November 1, 1998.

9 (g) The city may request that the county auditor issue to the city  
 10 a tax sale certificate for property that is offered for sale under this  
 11 SECTION but does not receive an amount that is at least equal to  
 12 the minimum sale price required under IC 6-1.1-24-5(e).

13 (h) Upon receiving a request under subsection (g), the county  
 14 auditor shall immediately issue to the city the requested tax sale  
 15 certificate. The tax sale certificate entitles the city to a lien on the  
 16 property in the amount of the minimum sale price. In addition, the  
 17 city acquires the same rights as a purchaser, including the right to  
 18 sell, assign, or transfer the tax sale certificate to another. However,  
 19 the city shall hold the property for the taxing units described in  
 20 subsection (i).

21 (i) When a lien is acquired by the city under this SECTION, no  
 22 money shall be paid by the city. However, each of the taxing units  
 23 having an interest in the taxes on the tract shall be credited with  
 24 the full amount of all delinquent taxes due them.

25 (j) If a certificate of sale is issued to a purchaser under  
 26 IC 6-1.1-24-9 and the real property is not redeemed within one  
 27 hundred twenty (120) days after the date of sale under this  
 28 SECTION, as extended by compliance with the notice provisions  
 29 in IC 6-1.1-25-4.5, the county auditor shall, upon receipt of the  
 30 certificate and subject to the limitations contained in this chapter,  
 31 execute and deliver a deed for the property to the purchaser.

32 (k) If a certificate of sale is issued to the city under this  
 33 SECTION and the real property is not redeemed within one  
 34 hundred twenty (120) days after the city acquires a lien on the  
 35 property under this SECTION, the county auditor shall, upon  
 36 receipt of the certificate and subject to the limitations contained in  
 37 IC 6-1.1-25, execute and deliver a deed for the property to the city.  
 38 The county auditor shall execute deeds issued under this SECTION  
 39 in the name of the state under the county auditor's name and seal.  
 40 If a certificate of sale is lost before the execution of a deed, the  
 41 county auditor shall, subject to the limitations in IC 6-1.1-25,  
 42 execute and deliver a deed if the court has made a finding that the



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certificate did exist.

(l) When a deed for real property is executed under this SECTION, the county auditor shall cancel the certificate of sale and file the canceled certificate in the office of the county auditor.

(m) When a deed is issued to the city under this SECTION, the taxes and special assessments for which the real property was offered for sale, and all subsequent taxes, special assessments, interest, penalties, and costs of sale shall be removed from the tax duplicate in the same manner that taxes are removed by certificate of error.

(n) A tax deed executed under this SECTION vests in the city an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law and the lien of the state or a political subdivision for taxes and special assessments that accrue subsequent to the sale and that are not removed under subsection (m). However, the estate is subject to all easements, covenants, declarations, and other deed restrictions and laws governing land use, including all zoning restrictions and liens and encumbrances created or suffered by the purchaser at the tax sale. The deed is prima facie evidence of:

- (1) the regularity of the sale of the real property described in the deed;
- (2) the regularity of all proper proceedings; and
- (3) valid title in fee simple in the grantee of the deed.

(o) The city may not conduct more than one (1) tax sale under this SECTION.

(p) Whenever the city acquires title to real property under this SECTION, the city may dispose of the real property under IC 36-1-11 or IC 6-1.1-25-9.5(f), as added by this act. The proceeds of a sale under IC 36-1-11 must be applied as follows:

- (1) First, to the cost of the sale, including the cost of maintenance, preservation, and administration of the property before sale, including prior unpaid costs of sales, preparation of the property for sale, advertising, and appraisal.
- (2) Second, to the payment of the taxes that were removed from the tax duplicate under section 4.2(f) of this chapter.
- (3) Third, any surplus remaining must be deposited in the city's general fund.

(q) The mayor or the mayor's designee shall file a report with the county board of commissioners before December 31, 1999. The

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**report must:**

**(1) list the real property acquired under this SECTION; and**

**(2) indicate if a person resides or conducts a business on the property.**

**(r) The city shall mail a notice by certified mail before December 31, 1999, to each person listed in subsection (q)(2). The notice must state that the city has acquired title to the tract the person occupies.**

**(s) If the city determines under IC 36-1-11 that real property acquired under this SECTION must be retained by the city, the city may not dispose of the real property. The mayor or the mayor's designee may repair, maintain, equip, alter, and construct buildings upon the real property retained under this section in the same manner prescribed for other city buildings.**

**(t) This SECTION expires January 1, 2000.**

**SECTION 30. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 1998]: IC 36-7-23-3; IC 36-7-23-14.**

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COMMITTEE REPORT

Mr. President: The Senate Committee on Governmental and Regulatory Affairs, to which was referred Senate Bill 327, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 4, line 4, reset in roman "However, the failure of the county".

Page 4, reset in roman lines 5 through 6.

and when so amended that said bill do pass.

(Reference is to Senate Bill 327 as introduced.)

GARD, Chairperson

Committee Vote: Yeas 7, Nays 0.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Senate Bill 327, 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:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Page 1, between line 1 and the enacting clause, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-24-1.2, AS AMENDED BY P.L.30-1994, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 1.2. (a) **Except as provided in subsection (c)**, a tract or an item of real property may not be removed from the list certified under section 1 of this chapter before the tax sale unless all delinquent taxes, special assessments, penalties due on the delinquency, interest, and costs directly attributable to the tax sale have been paid in full.

(b) A county treasurer may accept partial payments of delinquent property taxes, assessments, penalties, interest, or costs under subsection (a) after the list of real property is certified under section 1 of this chapter.

(c) **A county auditor may remove a tract or an item of real property from the list certified under section 1 of this chapter before the tax sale if the county auditor, the county treasurer and the taxpayer agree to a mutually satisfactory arrangement for the payment of the delinquent taxes.**

(d) **The county treasurer may remove the tract or item from the list certified under section 1 of this chapter if the arrangement described in subsection (c):**

- (1) is in writing;
- (2) is signed by the taxpayer; and
- (3) requires the taxpayer to pay the delinquent taxes in full within one (1) year of the date the agreement is signed.

(e) **If the taxpayer fails to make a payment under the arrangement described in subsection (c), the county auditor shall immediately place the tract or item of real property on the list of real property eligible for sale at a tax sale.**

(f) **If the tract or item of real property subject to a payment arrangement described in subsection (c) is within the jurisdiction of a:**

- (1) city having a population of more than one hundred ten

ES 327—LS 7104/DI 92+



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thousand (110,000) but less than one hundred twenty thousand (120,000); or

(2) city having a population of more than thirty-three thousand eight hundred fifty (33,850) but less than thirty-five thousand (35,000);

the county auditor shall notify the mayor of the city of the arrangement."

Page 4, after line 9, begin a new paragraph and insert:

"SECTION 4. IC 6-1.1-24-5.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: **Sec. 5.2. (a) This section applies to a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).**

**(b) If:**

**(1) a tract or an item of real property is on the delinquency list prepared under section 1 of this chapter;**

**(2) the county does not offer the tract or item of real property for sale under sections 1 through 5 of this chapter; and**

**(3) the tract or item of real property is within the jurisdiction of:**

**(A) a city having a population of more than thirty-three thousand eight hundred fifty (33,850) but less than thirty-five thousand (35,000); or**

**(B) a city having a population of more than one hundred ten thousand (110,000) but less than one hundred twenty thousand (120,000);**

the tract or item of real property may be offered for sale by the city in a manner consistent with the provisions of sections 1 through 5 of this chapter and subsections (c) and (d).

**(c) Notwithstanding any other law, the city may offer a tract or item of real property described in subsection (b) for sale on a date that is on or after January 1 and before March 31 of the year immediately following the year in which the property was placed on the delinquency list prepared under section 1 of this chapter. A sale conducted under this section must be held on the same date that the city conducts an expedited tax sale under section 5.6 of this chapter.**

**(d) All notice and judgment requirements set forth in this chapter and IC 6-1.1-25 are applicable to a city tax sale under subsection (b).**

**(e) This section expires June 30, 2001.**

SECTION 5. IC 6-1.1-24-5.6 IS ADDED TO THE INDIANA



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CODE AS A NEW SECTION TO READ AS FOLLOWS  
[EFFECTIVE JULY 1, 1998]: **Sec. 5.6.** (a) This section applies to:

- (1) a city having a population of more than one hundred ten thousand (110,000) but less than one hundred twenty thousand (120,000); and
- (2) a city having a population of more than thirty-three thousand eight hundred fifty (33,850) but less than thirty-five thousand (35,000).

(b) If:

- (1) a tract or an item of real property within the jurisdiction of the city is offered for sale under sections 1 through 5 of this chapter; and
- (2) an amount is not received that is at least equal to the minimum sale price required under section 5(e) of this chapter;

the tract or an item of real property may be offered for sale a second time consistent with the provisions of sections 1 through 5 of this chapter or subsection (c).

(c) Notwithstanding any other law, if:

- (1) a tract or an item of real property within the jurisdiction of the city is offered for sale under sections 1 through 5 of this chapter;
- (2) an amount is not received that is at least equal to the minimum sale price required under section 5(e) of this chapter; and
- (3) the county auditor and the mayor of the city jointly agree to an expedited tax sale under this subsection;

the city may offer the tract or item of real property for sale a second time on a date that is on or after January 1 and before March 31 of the year immediately following the year in which the property was initially offered for sale and at least ninety (90) days after the date of the initial sale.

(d) All notice and judgment requirements set forth in this chapter and IC 6-1.1-25 are applicable to the second expedited tax sale under subsection (c).

(e) If the city offers a tract or item of real property for sale at an expedited sale under subsection (c), the county may not offer the tract or item of real property for sale under section 5.5 of this chapter.

(f) This section expires June 30, 2001.

SECTION 6. IC 6-1.1-24-6.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS

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[EFFECTIVE JULY 1, 1998]: **Sec. 6.6. (a) This section applies to:**

- (1) a city having a population of more than one hundred ten thousand (110,000) but less than one hundred twenty thousand (120,000); and**
- (2) a city having a population of more than thirty-three thousand eight hundred fifty (33,850) but less than thirty-five thousand (35,000).**

**(b) When a tract or an item of real property is offered for sale under section 5.2 or 5.6 of this chapter and an amount is not received equal to or in excess of the minimum sale price prescribed in section 5(e) of this chapter, the city acquires a lien in the amount of the minimum sale price. This lien attaches on the day after the last date on which the tract or item was offered for sale under section 5.2 or 5.6 of this chapter.**

**(c) When a city acquires a lien under this section, the county auditor shall issue a tax sale certificate to the city in the manner provided in section 9 of this chapter. The county auditor shall date the certificate the day that the city acquires the lien. When a city acquires a certificate under this section, the city has the same rights as a purchaser. However, the city shall hold the property for the taxing units described in subsection (d).**

**(d) When a lien is acquired by the city under this section, no money shall be paid by the city. However, each of the taxing units having an interest in the taxes on the tract shall be credited with the full amount of all delinquent taxes due them.**

**(e) This section expires June 30, 2001.**

SECTION 7. IC 6-1.1-24-9, AS AMENDED BY P.L.56-1996, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: **Sec. 9. (a) Immediately after a tax sale purchaser pays his bid, as evidenced by the receipt of the county treasurer, or immediately after the county acquires a lien under section 6 of this chapter or a city acquires a lien under section 6.6 of this chapter, the county auditor shall deliver a certificate of sale to the purchaser or to the county or to the city. The certificate shall be signed by the auditor and registered in his office. The certificate shall contain:**

- (1) a description of real property which corresponds to the description used on the notice of sale;**
- (2) the name of the former owner, if known;**
- (3) the name of the purchaser;**
- (4) the date of sale;**
- (5) the amount for which the real property was sold;**
- (6) the amount of the minimum bid for which the tract or real**



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property was offered at the time of sale as required by section 5 of this chapter; and

(7) the date when the purchaser is first entitled to request a deed to the property.

(b) When a certificate of sale is issued under this section, the purchaser acquires a lien against the real property for the entire amount that he paid. The lien of the purchaser is superior to all liens against the real property which exist at the time the certificate is issued.

(c) A certificate of sale is assignable. However, an assignment is not valid unless it is endorsed on the certificate of sale, acknowledged before an officer authorized to take acknowledgments of deeds, and registered in the office of the county auditor. When a certificate of sale is assigned, the assignee acquires the same rights and obligations that the original purchaser acquired.

SECTION 8. IC 6-1.1-25-4.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: **Sec. 4.2. (a) This section applies to:**

**(1) a city having a population of more than one hundred ten thousand (110,000) but less than one hundred twenty thousand (120,000); and**

**(2) a city having a population of more than thirty-three thousand eight hundred fifty (33,850) but less than thirty-five thousand (35,000).**

**(b) If a certificate of sale is issued to a purchaser under IC 6-1.1-24-9 and the real property is not redeemed within one hundred twenty (120) days after the date of sale under IC 6-1.1-24-5.2(b) or IC 6-1.1-24-5.6(b), as extended by compliance with the notice provisions in section 4.5 of this chapter, the county auditor shall, upon receipt of the certificate and subject to the limitations contained in this chapter, execute and deliver a deed for the property to the purchaser.**

**(c) If a certificate of sale is issued to the city under IC 6-1.1-24-9 and the real property is not redeemed within one hundred twenty (120) days after the date of the sale, the county auditor shall, upon receipt of the certificate and subject to the limitations in this chapter, issue a deed for the property to the city.**

**(d) The county auditor shall execute deeds issued under this section in the name of the state under the county auditor's name and seal. If a certificate of sale is lost before the execution of a deed, the county auditor shall, subject to the limitations in this chapter, execute and deliver a deed if the court has made a finding that the certificate did exist.**



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(e) When a deed for real property is executed under this section, the county auditor shall cancel the certificate of sale and file the canceled certificate in the office of the county auditor.

(f) When a deed is issued to the city under this section, the taxes and special assessments for which the real property was offered for sale and all subsequent taxes, special assessments, interest, penalties, and costs of sale shall be removed from the tax duplicate in the same manner that taxes are removed by certificate of error.

(g) A tax deed executed under this section vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law and the lien of the state or a political subdivision for taxes and special assessments that accrue subsequent to the sale and that are not removed under subsection (f). However, the estate is subject to all easements, covenants, declarations, and other deed restrictions and laws governing land use, including all zoning restrictions and liens and encumbrances created or suffered by the purchaser at the tax sale. The deed is prima facie evidence of:

- (1) the regularity of the sale of the real property described in the deed;
- (2) the regularity of all proper proceedings; and
- (3) valid title in fee simple in the grantee of the deed.

(h) Notwithstanding the provisions of subsection (c), a county auditor is not required to execute a deed to the city under subsection (c) if the mayor determines that the property involved contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property.

(i) **This section expires September 30, 2001.**

SECTION 9. IC 6-1.1-25-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 5.5. (a) The deed given by the county auditor to a county which acquired property under IC 6-1.1-24-6, or to a city agency which acquired property under IC 36-7-17, shall be in a form prescribed by the state board of accounts and approved by the attorney general.

**(b) The deed given by the county auditor to a city that acquires property under IC 6-1.1-24-6.6 must be in a form prescribed by the state board of accounts and approved by the attorney general.**

SECTION 10. IC 6-1.1-25-7, AS AMENDED BY P.L.2-1995, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 7. (a) The holder of a certificate of sale, or his

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successors or assigns, shall have the county auditor execute a deed to the real property within two (2) years after the date of the sale. If the purchaser, or his successors or assigns, fails to have the county auditor execute a deed within that time period, the purchaser's lien against the real property terminates at the end of the time period. However, this section does not apply if the county **or city** is the holder of the certificate of sale.

(b) If the purchaser does not provide notice prior to the expiration of the period of redemption as specified in IC 6-1.1-25-4.5, the purchaser's lien against the real property terminates thirty-one (31) days after the expiration of the redemption period.

SECTION 11. IC 6-1.1-25-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: **Sec. 9.5. (a) This section applies to:**

- (1) a city having a population of more than one hundred ten thousand (110,000) but less than one hundred twenty thousand (120,000); and
- (2) a city having a population of more than thirty-three thousand eight hundred fifty (33,850) but less than thirty-five thousand (35,000).

(b) Whenever a city acquires title to real property under IC 6-1.1-24 and this chapter, the city may dispose of the real property under IC 36-1-11 or subsection (f). The proceeds of a sale under IC 36-1-11 must be applied as follows:

- (1) First, to the cost of the sale, including the cost of maintenance, preservation, and administration of the property before sale, including prior unpaid costs of sales, preparation of the property for sale, advertising, and appraisal.
- (2) Second, to the payment of the taxes that were removed from the tax duplicate under section 4.2(f) of this chapter.
- (3) Third, any surplus remaining must be deposited in the city's general fund.

(c) The mayor or the mayor's designee shall file a report with the county board of commissioners before January 31. The report must:

- (1) list the real property acquired under IC 6-1.1-24 and this chapter; and
- (2) indicate if a person resides or conducts a business on the property.

(d) The city shall mail a notice by certified mail before March 31 of each year to each person listed in subsection (c)(2). The notice



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must state that the city has acquired title to the tract the person occupies.

(e) If the city determines under IC 36-1-11 that real property acquired under IC 6-1.1-24 or this chapter must be retained by the city, the city may not dispose of the real property. The mayor or the mayor's designee may repair, maintain, equip, alter, and construct buildings upon the real property retained under this section in the same manner prescribed for other city buildings.

(f) The city may transfer title to real property described in subsection (b) to its redevelopment commission at no cost to the commission for sale or grant under IC 36-7-14-22.1.

(g) This section expires December 31, 2001.

SECTION 12. IC 36-1-11-3, AS AMENDED BY P.L.82-1995, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 3. (a) This section does not apply to the disposal of real property under section 5, 5.5, or 8 of this chapter.

(b) Disposal of real property under this chapter is subject to the approval of:

- (1) the executive of the political subdivision or agency; or
- (2) the fiscal body of the political subdivision or agency, if there is no executive.

The executive or fiscal body may not approve a disposal of property without conducting a public hearing after giving notice under IC 5-3-1. However, in a municipality the executive shall designate a board or commission of the municipality to give notice, conduct the hearing, and notify the executive of its recommendation.

(c) In addition, the fiscal body of a unit must approve:

- (1) every sale of real property having an appraised value of fifty thousand dollars (\$50,000) or more;
- (2) every lease of real property for which the total annual rental payments will be twenty-five thousand dollars (\$25,000) or more; and
- (3) every transfer of real property under section 14 or 15 of this chapter.

(d) Notwithstanding subsection (c), the fiscal body of a city having a population of more than one hundred ten thousand (110,000) but less than one hundred twenty thousand (120,000) must approve:

- (1) every sale of real property having an appraised value of ten thousand dollars (\$10,000) or more;
- (2) every lease of real property for which the total annual rental payments will be five thousand dollars (\$5,000) or



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more; and

(3) every transfer of real property under section 14 or 15 of this chapter.

(e) Notwithstanding subsection (c), the fiscal body of a city having a population of more than thirty-three thousand eight hundred fifty (33,850) but less than thirty-five thousand (35,000) must approve:

(1) every sale of real property having an appraised value of ten thousand dollars (\$10,000) or more;

(2) every lease of real property for which the total annual rental payments will be five thousand dollars (\$5,000) or more; and

(3) every transfer of real property under section 14 or 15 of this chapter.

SECTION 13. IC 36-7-23-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 1. As used in this chapter, "authority" refers to a multiple ~~county~~ **jurisdiction infrastructure** authority established ~~by~~ **under** this chapter.

SECTION 14. IC 36-7-23-3.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: **Sec. 3.7. This chapter applies to all units except townships.**

SECTION 15. IC 36-7-23-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 4. (a) A multiple ~~county~~ **jurisdiction infrastructure** authority may be established under this chapter by:

(1) ordinance of the fiscal body of each ~~county~~ **unit** participating in the authority; and

(2) **if a county is one (1) of the units participating in the authority**, the order of the executive of ~~each that~~ county; ~~participating in the authority. and~~

(3) **an agreement among the participating units, executed by the executive of each participating unit following the approval of the legislative body of each of the participating units.**

(b) The authority is a public body corporate and politic. The authority is separate from the state, but the exercise by the authority of its powers is an essential governmental function.

(c) An agreement to establish an authority must include:

(1) more than one (1) ~~county~~ **unit** as a participant; and

(2) a formula for distributing funds ~~from local taxes~~ contributed by a county or a municipality wholly or partially located in a county included in the agreement. ~~the units participating in the~~



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authority.

**(d) An authority may add additional participating units at any time by following the procedures set forth in subsection (a).**

**(e) A unit may participate in more than one (1) authority.**

SECTION 16. IC 36-7-23-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 5. The purpose of the authority is to **promote cooperation among the units participating in the authority in order to** assist the development of the ~~incorporated and unincorporated areas of each county~~ **units** included in the agreement by doing the following:

- (1) Utilizing private and public sector resources to address development problems and opportunities.
- (2) **Planning**, developing, rehabilitating, and otherwise managing ~~regional infrastructures and other regional services:~~ **infrastructure located in the authority's jurisdiction.**
- (3) Supplementing, but not supplanting, traditional local or state responsibilities.
- (4) Providing financial resources to local communities to address their infrastructure needs.
- (5) Providing revenue bonding capacity and resources for bond retirement, or lease rental capacity and resources, that can be directed to development or recapitalization of ~~the regional~~ **infrastructure located in the authority's jurisdiction.**
- (6) Providing the means to develop revenue producing infrastructure ventures, where revenue can be rechanneled back into the overall infrastructure development effort.
- (7) Providing an overall balanced infrastructure investment strategy that addresses important ~~regional~~ **needs of the participating units for capital projects.**
- (8) Providing operating involvement appropriate to each infrastructure component.
- (9) Providing for a continuing and stable source of public funding for ~~regional~~ **infrastructure development for participating units.**
- (10) Providing the mechanism to address other regional services as determined to be appropriate by the board.

SECTION 17. IC 36-7-23-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 9. The powers of the authority are vested in a board of directors. The board is comprised of the following members:

- (1) One (1) member appointed by the ~~county~~ executive of each ~~county:~~ **unit participating in the authority.**
- (2) One (1) member appointed by the ~~county~~ fiscal body of each

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~~county~~; **unit participating in the authority.**

~~(3) The executive director of the authority.~~

SECTION 18. IC 36-7-23-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 10. (a) A member appointed under section 9 of this chapter ~~by a county executive or county fiscal body~~ must be a resident of the ~~county~~ **unit** whose officials or representatives make the appointment.

(b) A member appointed under section 9(1) or 9(2) of this chapter by a ~~county~~ **unit** executive or ~~county~~ **unit** fiscal body must be an elected official of the ~~county~~ **unit** whose officials or representatives make the appointment.

SECTION 19. IC 36-7-23-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 11. (a) A member of the board appointed under ~~section 9(1) through 9(2)~~ **section 9** of this chapter serves a term of four (4) years.

(b) The agreement establishing the authority under this chapter must provide:

(1) that the terms of the initial members appointed under section 9(1) through 9(2) of this chapter expire after one (1), two (2), three (3), or four (4) years; and

(2) for approximately twenty-five percent (25%) of the terms of the initial members appointed under ~~section 9(1) through 9(2)~~ **section 9** of this chapter to expire in each of the first four (4) years that the agreement is in effect.

SECTION 20. IC 36-7-23-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 12. The ~~officials responsible for appointing authority members of the board~~ shall fill a vacancy on the board among the members appointed under ~~section 9(1) through 9(3)~~ **section 9** of this chapter by appointment for the unexpired term.

SECTION 21. IC 36-7-23-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 13. (a) A member of the board is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the budget agency.

**(b) A member of the board is not entitled to either a salary or a per diem for services rendered in connection with the member's duties.**

SECTION 22. IC 36-7-23-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 15. The members shall elect:

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- (1) a ~~vice~~ chairman;
- (2) a ~~secretary;~~ **vice chairman;**
- (3) **a secretary;** and
- (~~3~~) **(4)** other officers determined to be necessary for the board to function;

at the first meeting of the board in January of each year.

SECTION 23. IC 36-7-23-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 17. (a) A majority of the members of the board constitutes a quorum for the transaction of business. The affirmative vote of a majority of the board is necessary for an action to be taken by the board.

(b) A member may vote by written proxy delivered in advance to ~~another member~~ **the chairman or secretary** of the board.

(c) A vacancy in the membership of the board does not impair the right of a quorum to exercise all rights and perform all duties of the board.

SECTION 24. IC 36-7-23-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 32. (a) The board ~~shall~~ **may** appoint an executive director of the authority.

(b) ~~Whenever a vacancy exists in the office of~~ **If the board determines to appoint an** executive director, the board shall appoint a nominating committee composed of members of the board. The committee must submit a recommendation to the board concerning the individuals qualified to serve as executive director.

SECTION 25. IC 36-7-23-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 33. The executive director shall:

- (1) administer, manage, and direct the affairs and activities of the authority in accordance with the policies of the board and under the control and direction of the board;
- (~~2~~) ~~preside as chairman at the meetings of the board;~~
- (~~3~~) **(2)** maintain and be custodian of all books, documents, and papers filed with the authority and the official seal of the authority; and
- (~~4~~) **(3)** perform other duties directed by the members to carry out the purposes of this chapter.

SECTION 26. IC 36-7-23-52 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 52. (a) A resolution establishing just and reasonable fees, rates, and charges for the use of infrastructures under this chapter may be ~~adopted~~ **adopted** by the board after a public hearing. Notice of the hearing must be published ~~and posted;~~ **in each county that is a member of the authority; one (1) time,**



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at least ten (10) days before the hearing, in one (1) newspaper published in each county in which a participating unit is located in accordance with IC 5-3-1. The notice must provide a summary of the resolution.

(b) Fees, rates, and charges adopted by the authority for a particular infrastructure shall comply with statutes authorizing units to adopt fees, rates, and charges for that particular type of infrastructure or, if there is no statute authorizing units to adopt fees, rates, and charges for that particular type of infrastructure, the fees, rates, and charges must comply with IC 36-1-3.

SECTION 27. IC 36-7-23-53 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 53. (a) An authority may enter into a lease of any infrastructure that could be financed with the proceeds of bonds issued under this chapter with a lessor for a term not to exceed fifty (50) years, and the lease may provide for payments to be made by the authority from any revenues of the authority.

(b) A lease may provide that payments by the authority to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased infrastructure in accordance with the lease. The terms of each lease must be based upon the value of the infrastructure leased and may not create a debt of the authority or a county member for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the authority only after a public hearing by the board at which all interested parties are provided the opportunity to be heard. After the public hearing, the board may adopt a resolution authorizing the execution of the lease on behalf of the authority if the board finds that the service to be provided throughout the term of the lease will serve the public purpose of the authority and is in the best interests of its residents.

(d) The authority may:

- (1) pledge revenues to make payments under the lease; and
- (2) establish a special fund to make the payments.

(e) Lease rentals may be limited to money in the special fund so that the obligations of the authority to make the lease rental payments are not considered debt of the authority or a county member for purposes of the Constitution of the State of Indiana.

(f) Except as provided in this section, no approvals of any governmental body or agency are required before the authority enters into a lease under this section.

SECTION 28. IC 36-7-23-58 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 58. The infrastructure, or any part of ~~them~~, **the infrastructure**, to be financed under this



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chapter, may be financed by any one (1) or more or any combination of one (1) or more of the methods provided for in this chapter. The authority may pledge any money or mortgage or pledge property available to it under this chapter as set forth in IC 5-1-14-4 and any county member may pledge any money or mortgage or pledge property available to it to the authority as set forth in the agreement creating the authority. Any such pledge or mortgage by a county member to the authority shall be governed by and binding under IC 5-1-14-4.

**SECTION 29. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies to the following:**

**(1) A city having a population of more than one hundred ten thousand (110,000) but less than one hundred twenty thousand (120,000).**

**(2) A city having a population of more than thirty-three thousand eight hundred fifty (33,850) but less than thirty-five thousand (35,000).**

**(b) Within fifteen (15) days after a list of delinquent properties prepared under IC 6-1.1-24-1 is certified to the county auditor, the county auditor shall notify the mayor that the list is available for inspection. Upon notification, the mayor or the mayor's designee may examine the list to determine whether there are properties on the list that meet the following criteria for sale at a tax sale conducted by the city:**

**(1) The property is within the city's jurisdiction.**

**(2) At least six (6) installments of property taxes are delinquent.**

**(c) If the mayor or the mayor's designee determines that any of the properties included on the list are eligible for sale by the city, the mayor or the mayor's designee shall notify the county auditor that the city wishes to hold a tax sale of certain properties on the list. The mayor or the mayor's designee shall specifically identify the parcels or tracts that the city wishes to include in a tax sale. The mayor or the mayor's designee shall provide the notice required by this subsection to the county auditor within fifteen (15) days after the county auditor notifies the mayor that the tax sale list is available for inspection.**

**(d) Upon receiving notification that the city wishes to hold an immediate tax sale, the county auditor shall authorize the city to hold a tax sale. The county auditor shall also remove the parcels or tracts specified by the city from the list prepared under IC 6-1.1-24-1.**

**(e) The city shall place on a tax sale list the parcels or tracts that**

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will be included in the city's tax sale. A tax sale conducted by the city under this SECTION is in addition to a tax sale conducted under IC 6-1.1-24-5.6, as added by this act. Except as otherwise provided, the city has the same rights and obligations as the county under IC 6-1.1-24 and IC 6-1.1-25 with respect to the tax sale.

(f) A tax sale held under this SECTION must take place on or after August 1, 1998, and before November 1, 1998.

(g) The city may request that the county auditor issue to the city a tax sale certificate for property that is offered for sale under this SECTION but does not receive an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5(e).

(h) Upon receiving a request under subsection (g), the county auditor shall immediately issue to the city the requested tax sale certificate. The tax sale certificate entitles the city to a lien on the property in the amount of the minimum sale price. In addition, the city acquires the same rights as a purchaser, including the right to sell, assign, or transfer the tax sale certificate to another. However, the city shall hold the property for the taxing units described in subsection (i).

(i) When a lien is acquired by the city under this SECTION, no money shall be paid by the city. However, each of the taxing units having an interest in the taxes on the tract shall be credited with the full amount of all delinquent taxes due them.

(j) If a certificate of sale is issued to a purchaser under IC 6-1.1-24-9 and the real property is not redeemed within one hundred twenty (120) days after the date of sale under this SECTION, as extended by compliance with the notice provisions in IC 6-1.1-25-4.5, the county auditor shall, upon receipt of the certificate and subject to the limitations contained in this chapter, execute and deliver a deed for the property to the purchaser.

(k) If a certificate of sale is issued to the city under this SECTION and the real property is not redeemed within one hundred twenty (120) days after the city acquires a lien on the property under this SECTION, the county auditor shall, upon receipt of the certificate and subject to the limitations contained in IC 6-1.1-25, execute and deliver a deed for the property to the city. The county auditor shall execute deeds issued under this SECTION in the name of the state under the county auditor's name and seal. If a certificate of sale is lost before the execution of a deed, the county auditor shall, subject to the limitations in IC 6-1.1-25, execute and deliver a deed if the court has made a finding that the certificate did exist.

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(l) When a deed for real property is executed under this SECTION, the county auditor shall cancel the certificate of sale and file the canceled certificate in the office of the county auditor.

(m) When a deed is issued to the city under this SECTION, the taxes and special assessments for which the real property was offered for sale, and all subsequent taxes, special assessments, interest, penalties, and costs of sale shall be removed from the tax duplicate in the same manner that taxes are removed by certificate of error.

(n) A tax deed executed under this SECTION vests in the city an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law and the lien of the state or a political subdivision for taxes and special assessments that accrue subsequent to the sale and that are not removed under subsection (m). However, the estate is subject to all easements, covenants, declarations, and other deed restrictions and laws governing land use, including all zoning restrictions and liens and encumbrances created or suffered by the purchaser at the tax sale. The deed is prima facie evidence of:

- (1) the regularity of the sale of the real property described in the deed;
- (2) the regularity of all proper proceedings; and
- (3) valid title in fee simple in the grantee of the deed.

(o) The city may not conduct more than one (1) tax sale under this SECTION.

(p) Whenever the city acquires title to real property under this SECTION, the city may dispose of the real property under IC 36-1-11 or IC 6-1.1-25-9.5(f), as added by this act. The proceeds of a sale under IC 36-1-11 must be applied as follows:

- (1) First, to the cost of the sale, including the cost of maintenance, preservation, and administration of the property before sale, including prior unpaid costs of sales, preparation of the property for sale, advertising, and appraisal.
- (2) Second, to the payment of the taxes that were removed from the tax duplicate under section 4.2(f) of this chapter.
- (3) Third, any surplus remaining must be deposited in the city's general fund.

(q) The mayor or the mayor's designee shall file a report with the county board of commissioners before December 31, 1999. The report must:



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- (1) list the real property acquired under this SECTION; and
- (2) indicate if a person resides or conducts a business on the property.

(r) The city shall mail a notice by certified mail before December 31, 1999, to each person listed in subsection (q)(2). The notice must state that the city has acquired title to the tract the person occupies.

(s) If the city determines under IC 36-1-11 that real property acquired under this SECTION must be retained by the city, the city may not dispose of the real property. The mayor or the mayor's designee may repair, maintain, equip, alter, and construct buildings upon the real property retained under this section in the same manner prescribed for other city buildings.

(t) This SECTION expires January 1, 2000.

SECTION 30. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 1998]: IC 36-7-23-3; IC 36-7-23-14."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to Senate Bill 327 as printed January 30, 1998.)

STEVENSON, Chair

Committee Vote: yeas 11, nays 1.

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