
ENGROSSED SENATE BILL No. 327

DIGEST OF SB 327 (Updated February 20, 1998 7:00 pm - DI 58)

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. Allows a county auditor to remove a tract or an item of real property from the tax sale list 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. Provides that the City of Gary, the City of Hammond, and the City of East Chicago are entitled to notice if such an arrangement is made. 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. Provides that if Lake County fails to offer for sale at a tax sale a
(Continued next page)

Effective: July 1, 1998.

Skillman

(HOUSE SPONSORS — DOBIS, BOTTORFF, RUPPEL)

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.

February 20, 1998, read second time, amended, ordered engrossed.

ES 327—LS 7104/DI 92+



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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. Allows the City of Gary 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 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 counties and the City of Gary and the City of East Chicago to conduct environmental inspections of properties on a tax sale list. Allows the Lake County auditor to not execute a deed if the City of Gary or the City of East Chicago determines that the costs of environmental alleviation exceed a property's fair market value. 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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Reprinted
February 23, 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

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);

21 (2) city having a population of more than seventy-five
 22 thousand (75,000) but less than ninety thousand (90,000); or

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

26 the county auditor shall notify the mayor of the city of the
 27 arrangement.

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

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

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

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

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

41 (B) the taxes and special assessments on each tract or item of
 42 real property that are due and payable in the year of the sale,



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whether or not they are delinquent;

(C) all penalties due on the delinquencies;

(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

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1 court will determine any defenses to the application for
2 judgment at the hearing.

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

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

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

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

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

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

32 SECTION 3. IC 6-1.1-24-3, AS AMENDED BY P.L.39-1994,
33 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 1998]: Sec. 3. (a) When real property is eligible for sale under
35 this chapter, the county auditor shall post a copy of the notice required
36 by sections 2 and 2.2 of this chapter at a public place of posting in the
37 county courthouse at least twenty-one (21) days before the earliest date
38 of application for judgment. In addition, the county auditor shall
39 publish the notice required in sections 2 and 2.2 of this chapter in the
40 manner prescribed in IC 6-1.1-22-4(b) once each week for three (3)
41 consecutive weeks before the earliest date on which the application for
42 judgment may be made. The expenses of this publication shall be paid



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1 out of the county general fund without prior appropriation.

2 (b) At least twenty-one (21) days before the application for
3 judgment is made, the county auditor shall mail a copy of the notice
4 required by sections 2 and 2.2 of this chapter by certified mail, **return**
5 **receipt requested**, to any mortgagee who annually requests, **by**
6 **certified mail**, a copy of the notice. However, the failure of the county
7 auditor to mail this notice or its nondelivery does not affect the validity
8 of the judgment and order.

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

12 SECTION 4. IC 6-1.1-24-5.2 IS ADDED TO THE INDIANA
13 CODE AS A NEW SECTION TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 1998]: **Sec. 5.2. (a) This section applies to a**
15 **county having a population of more than four hundred thousand**
16 **(400,000) but less than seven hundred thousand (700,000).**

17 (b) If:

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

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

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

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

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

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

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

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

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subsection (b).

(e) This section expires June 30, 2001.

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

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1 (f) **This section expires June 30, 2001.**

2 SECTION 6. IC 6-1.1-24-6.6 IS ADDED TO THE INDIANA
3 CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 1998]: **Sec. 6.6. (a) This section applies to:**

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

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

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

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

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

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

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

39 (1) **a description of real property which corresponds to the**
40 **description used on the notice of sale;**

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

42 (3) **the name of the purchaser;**



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- 1 (4) the date of sale;
 2 (5) the amount for which the real property was sold;
 3 (6) the amount of the minimum bid for which the tract or real
 4 property was offered at the time of sale as required by section 5
 5 of this chapter; and
 6 (7) the date when the purchaser is first entitled to request a deed
 7 to the property.

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

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

18 SECTION 8. IC 6-1.1-25-4, AS AMENDED BY P.L.89-1995,
 19 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 1998]: Sec. 4. (a) If a certificate of sale is issued to a
 21 purchaser under IC 6-1.1-24-9 and the real property is not redeemed
 22 within:

- 23 (1) one (1) year after the date of sale;
 24 (2) one hundred twenty (120) days after the county acquires a lien
 25 on the property under IC 6-1.1-24-6;
 26 (3) one hundred twenty (120) days from the date of sale to a
 27 purchasing agency qualified under IC 36-7-17;
 28 (4) one hundred twenty (120) days from the date of sale of real
 29 property on the list prepared under IC 6-1.1-24-1.5; or
 30 (5) one hundred twenty (120) days after the date of sale under
 31 IC 6-1.1-24-5.5(b);

32 as extended by compliance with the notice provisions in section 4.5 of
 33 this chapter, the county auditor shall, upon receipt of the certificate and
 34 subject to the limitations contained in this chapter, execute and deliver
 35 a deed for the property to the purchaser. If a certificate of sale is issued
 36 to a county under IC 6-1.1-24-9 and the real property is not redeemed
 37 within one (1) year after the date of sale, the county auditor shall, upon
 38 receipt of the certificate and subject to the limitations contained in this
 39 chapter, issue a deed for the property to the county. The county auditor
 40 shall execute deeds issued under this section in the name of the state
 41 under the county auditor's name and seal. If a certificate of sale is lost
 42 before the execution of a deed, the county auditor shall, subject to the

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1 limitations in this chapter, execute and deliver a deed if the court has
2 made a finding that the certificate did exist.

3 (b) When a deed for real property is executed under this section, the
4 county auditor shall cancel the certificate of sale and file the canceled
5 certificate in his office. If real property that appears on the list prepared
6 under IC 6-1.1-24-1.5 is offered for sale and an amount that is at least
7 equal to the minimum sale price required under IC 6-1.1-24-5(e) is not
8 received, the county auditor shall issue a deed to the real property in
9 the manner provided in IC 6-1.1-24-6.5.

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

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

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

30 (e) Notwithstanding the provisions of subsection (a), a county
31 auditor is not required to execute a deed to the county under subsection
32 (a) if the county executive determines that the property involved
33 contains hazardous waste or another environmental hazard for which
34 the cost of abatement or alleviation will exceed the fair market value
35 of the property. **The county may enter the property to conduct
36 environmental investigations.**

37 (f) If the county executive makes the determination under
38 subsection (e) as to any interest in an oil or gas lease or separate
39 mineral rights, the county treasurer shall certify all delinquent taxes,
40 interest, penalties, and costs assessed under IC 6-1.1-24 to the clerk,
41 following the procedures in IC 6-1.1-23-9. After the date of the county
42 treasurer's certification, the certified amount is subject to collection as



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1 delinquent personal property taxes under IC 6-1.1-23. Notwithstanding
 2 IC 6-1.1-4-12.4 and IC 6-1.1-4-12.5, the assessed value of such an
 3 interest shall be zero (0) until production commences.

4 SECTION 9. IC 6-1.1-25-4.2 IS ADDED TO THE INDIANA
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS
 6 [EFFECTIVE JULY 1, 1998]: **Sec. 4.2. (a) This section applies to:**

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

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

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

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

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

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

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

40 (g) A tax deed executed under this section vests in the grantee an
 41 estate in fee simple absolute, free and clear of all liens and
 42 encumbrances created or suffered before or after the tax sale



1 except those liens granted priority under federal law and the lien
 2 of the state or a political subdivision for taxes and special
 3 assessments that accrue subsequent to the sale and that are not
 4 removed under subsection (f). However, the estate is subject to all
 5 easements, covenants, declarations, and other deed restrictions and
 6 laws governing land use, including all zoning restrictions and liens
 7 and encumbrances created or suffered by the purchaser at the tax
 8 sale. The deed is prima facie evidence of:

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

13 (h) Notwithstanding the provisions of subsection (c), a county
 14 auditor is not required to execute a deed to the city under
 15 subsection (c) if the mayor determines that the property involved
 16 contains hazardous waste or another environmental hazard for
 17 which the cost of abatement or alleviation will exceed the fair
 18 market value of the property. The city may enter the property to
 19 conduct environmental investigations.

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

21 SECTION 10. IC 6-1.1-25-5.5 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 5.5. (a) The deed given
 23 by the county auditor to a county which acquired property under
 24 IC 6-1.1-24-6, or to a city agency which acquired property under
 25 IC 36-7-17, shall be in a form prescribed by the state board of accounts
 26 and approved by the attorney general.

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

30 SECTION 11. IC 6-1.1-25-7, AS AMENDED BY P.L.2-1995,
 31 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 1998]: Sec. 7. (a) The holder of a certificate of sale, or his
 33 successors or assigns, shall have the county auditor execute a deed to
 34 the real property within two (2) years after the date of the sale. If the
 35 purchaser, or his successors or assigns, fails to have the county auditor
 36 execute a deed within that time period, the purchaser's lien against the
 37 real property terminates at the end of the time period. However, this
 38 section does not apply if the county **or city** is the holder of the
 39 certificate of sale.

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



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1 after the expiration of the redemption period.

2 SECTION 12. IC 6-1.1-25-9.5 IS ADDED TO THE INDIANA
3 CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 1998]: **Sec. 9.5. (a) This section applies to:**

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

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

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

15 (1) First, to the cost of the sale, including the cost of
16 maintenance, preservation, and administration of the
17 property before sale, including prior unpaid costs of sales,
18 preparation of the property for sale, advertising, and
19 appraisal.

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

22 (3) Third, any surplus remaining must be deposited in the
23 city's general fund.

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

27 (1) list the real property acquired under IC 6-1.1-24 and this
28 chapter; and

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

31 (d) The city shall mail a notice by certified mail before March 31
32 of each year to each person listed in subsection (c)(2). The notice
33 must state that the city has acquired title to the tract the person
34 occupies.

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

41 (f) The city may transfer title to real property described in
42 subsection (b) to its redevelopment commission at no cost to the

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1 **commission for sale or grant under IC 36-7-14-22.1.**

2 **(g) This section expires December 31, 2001.**

3 SECTION 13. IC 36-1-11-3, AS AMENDED BY P.L.82-1995,
4 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 1998]: Sec. 3. (a) This section does not apply to the disposal
6 of real property under section 5, 5.5, or 8 of this chapter.

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

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

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

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

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

25 **(d) Notwithstanding subsection (c), the fiscal body of a city**
26 **having a population of more than one hundred ten thousand**
27 **(110,000) but less than one hundred twenty thousand (120,000)**
28 **must approve:**

- 29 (1) every sale of real property having an appraised value of
30 ten thousand dollars (\$10,000) or more;
- 31 (2) every lease of real property for which the total annual
32 rental payments will be five thousand dollars (\$5,000) or
33 more; and
- 34 (3) every transfer of real property under section 14 or 15 of
35 this chapter.

36 **(e) Notwithstanding subsection (c), the fiscal body of a city**
37 **having a population of more than thirty-three thousand eight**
38 **hundred fifty (33,850) but less than thirty-five thousand (35,000)**
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 SECTION 14. IC 36-7-23-1 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 1. As used in this
 7 chapter, "authority" refers to a multiple ~~county~~ **jurisdiction**
 8 **infrastructure** authority established ~~by~~ **under** this chapter.

9 SECTION 15. IC 36-7-23-3.7 IS ADDED TO THE INDIANA
 10 CODE AS A NEW SECTION TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 1998]: **Sec. 3.7. This chapter applies to all**
 12 **units except townships.**

13 SECTION 16. IC 36-7-23-4 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 4. (a) A multiple
 15 ~~county~~ **jurisdiction infrastructure** authority may be established under
 16 this chapter by:

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

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

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

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

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

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

30 (2) a formula for distributing funds ~~from local taxes~~ contributed
 31 by a ~~county or a municipality wholly or partially located in a~~
 32 ~~county included in the agreement: the units participating in the~~
 33 **authority.**

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

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

37 SECTION 17. IC 36-7-23-5 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 5. The purpose of the
 39 authority is to **promote cooperation among the units participating**
 40 **in the authority in order to** assist the development of the ~~incorporated~~
 41 ~~and unincorporated areas of each county~~ **units** included in the
 42 agreement by doing the following:



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

26 SECTION 18. IC 36-7-23-9 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 9. The powers of the
 28 authority are vested in a board of directors. The board is comprised of
 29 the following members:

- 30 (1) One (1) member appointed by the ~~county~~ executive of each
- 31 ~~county:~~ **unit participating in the authority.**
- 32 (2) One (1) member appointed by the ~~county~~ fiscal body of each
- 33 ~~county:~~ **unit participating in the authority.**
- 34 (3) ~~The executive director of the authority:~~

35 SECTION 19. IC 36-7-23-10 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 10. (a) A member
 37 appointed under section 9 of this chapter ~~by a county executive or~~
 38 ~~county fiscal body~~ must be a resident of the ~~county~~ **unit** whose officials
 39 or representatives make the appointment.

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

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1 make the appointment.

2 SECTION 20. IC 36-7-23-11 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 11. (a) A member of
4 the board appointed under ~~section 9(1) through 9(2)~~ **section 9** of this
5 chapter serves a term of four (4) years.

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

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

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

15 SECTION 21. IC 36-7-23-12 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec.12. The **officials**
17 **responsible for** appointing ~~authority members of the board~~ shall fill
18 a vacancy on the board among the members appointed under ~~section~~
19 ~~9(1) through 9(3)~~ **section 9** of this chapter by appointment for the
20 unexpired term.

21 SECTION 22. IC 36-7-23-13 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 13. (a) A member of
23 the board is entitled to reimbursement for traveling expenses and other
24 expenses actually incurred in connection with the member's duties, as
25 provided in the state travel policies and procedures established by the
26 department of administration and approved by the budget agency.

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

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

33 (1) a ~~vice~~ chairman;

34 (2) a ~~secretary;~~ **vice chairman;**

35 (3) **a secretary;** and

36 (3) ~~(4)~~ **(4)** other officers determined to be necessary for the board to
37 function;

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

39 SECTION 24. IC 36-7-23-17 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 17. (a) A majority of
41 the members of the board constitutes a quorum for the transaction of
42 business. The affirmative vote of a majority of the board is necessary



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1 for an action to be taken by the board.

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

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

7 SECTION 25. IC 36-7-23-32 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 32. (a) The board ~~shall~~
9 **may** appoint an executive director of the authority.

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

15 SECTION 26. IC 36-7-23-33 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 33. The executive
17 director shall:

18 (1) administer, manage, and direct the affairs and activities of the
19 authority in accordance with the policies of the board and under
20 the control and direction of the board;

21 ~~(2) preside as chairman at the meetings of the board;~~

22 ~~(3)~~ **(2)** maintain and be custodian of all books, documents, and
23 papers filed with the authority and the official seal of the
24 authority; and

25 ~~(4)~~ **(3)** perform other duties directed by the members to carry out
26 the purposes of this chapter.

27 SECTION 27. IC 36-7-23-52 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 52. (a) A resolution
29 establishing just and reasonable fees, rates, and charges for the use of
30 infrastructures under this chapter may be ~~adopted~~ **adopted** by the board
31 after a public hearing. Notice of the hearing must be published ~~and~~
32 ~~posted, in each county that is a member of the authority, one (1) time,~~
33 **at least ten (10) days before the hearing, in one (1) newspaper**
34 **published in each county in which a participating unit is located** in
35 accordance with IC 5-3-1. The notice must provide a summary of the
36 resolution.

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



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1 SECTION 28. IC 36-7-23-53 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 53. (a) An authority
 3 may enter into a lease of any infrastructure that could be financed with
 4 the proceeds of bonds issued under this chapter with a lessor for a term
 5 not to exceed fifty (50) years, and the lease may provide for payments
 6 to be made by the authority from any revenues of the authority.

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

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

20 (d) The authority may:

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

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

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

30 SECTION 29. IC 36-7-23-58 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 58. The infrastructure,
 32 or any part of ~~them~~, **the infrastructure**, to be financed under this
 33 chapter, may be financed by any one (1) or more or any combination of
 34 one (1) or more of the methods provided for in this chapter. The
 35 authority may pledge any money or mortgage or pledge property
 36 available to it under this chapter as set forth in IC 5-1-14-4 and any
 37 ~~county~~ member may pledge any money or mortgage or pledge property
 38 available to it to the authority as set forth in the agreement creating the
 39 authority. Any such pledge or mortgage by a ~~county~~ member to the
 40 authority shall be governed by and binding under IC 5-1-14-4.

41 SECTION 30. [EFFECTIVE UPON PASSAGE] (a) **This**
 42 **SECTION applies to the following:**

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- 1 **(1) A city having a population of more than one hundred ten**
- 2 **thousand (110,000) but less than one hundred twenty**
- 3 **thousand (120,000).**
- 4 **(2) A city having a population of more than thirty-three**
- 5 **thousand eight hundred fifty (33,850) but less than thirty-five**
- 6 **thousand (35,000).**
- 7 **(b) Within fifteen (15) days after a list of delinquent properties**
- 8 **prepared under IC 6-1.1-24-1 is certified to the county auditor, the**
- 9 **county auditor shall notify the mayor that the list is available for**
- 10 **inspection. Upon notification, the mayor or the mayor's designee**
- 11 **may examine the list to determine whether there are properties on**
- 12 **the list that meet the following criteria for sale at a tax sale**
- 13 **conducted by the city:**
- 14 **(1) The property is within the city's jurisdiction.**
- 15 **(2) At least six (6) installments of property taxes are**
- 16 **delinquent.**
- 17 **(c) If the mayor or the mayor's designee determines that any of**
- 18 **the properties included on the list are eligible for sale by the city,**
- 19 **the mayor or the mayor's designee shall notify the county auditor**
- 20 **that the city wishes to hold a tax sale of certain properties on the**
- 21 **list. The mayor or the mayor's designee shall specifically identify**
- 22 **the parcels or tracts that the city wishes to include in a tax sale.**
- 23 **The mayor or the mayor's designee shall provide the notice**
- 24 **required by this subsection to the county auditor within fifteen (15)**
- 25 **days after the county auditor notifies the mayor that the tax sale**
- 26 **list is available for inspection.**
- 27 **(d) Upon receiving notification that the city wishes to hold a tax**
- 28 **sale, the county auditor shall authorize the city to hold a tax sale.**
- 29 **The county auditor shall also remove the parcels or tracts specified**
- 30 **by the city from the list prepared under IC 6-1.1-24-1.**
- 31 **(e) The city shall place on a tax sale list the parcels or tracts that**
- 32 **will be included in the city's tax sale. A tax sale conducted by the**
- 33 **city under this SECTION is in addition to a tax sale conducted**
- 34 **under IC 6-1.1-24-5.6, as added by this act. Except as otherwise**
- 35 **provided, the city has the same rights and obligations as the county**
- 36 **under IC 6-1.1-24 and IC 6-1.1-25 with respect to the tax sale.**
- 37 **(f) A tax sale held under this SECTION must take place on or**
- 38 **after August 1, 1998, and before November 1, 1998.**
- 39 **(g) The city may request that the county auditor issue to the city**
- 40 **a tax sale certificate for property that is offered for sale under this**
- 41 **SECTION but does not receive an amount that is at least equal to**
- 42 **the minimum sale price required under IC 6-1.1-24-5(e).**

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

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

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

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

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

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

41 (n) A tax deed executed under this SECTION vests in the city an
42 estate in fee simple absolute, free and clear of all liens and



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1 encumbrances created or suffered before or after the tax sale
 2 except those liens granted priority under federal law and the lien
 3 of the state or a political subdivision for taxes and special
 4 assessments that accrue subsequent to the sale and that are not
 5 removed under subsection (m). However, the estate is subject to all
 6 easements, covenants, declarations, and other deed restrictions and
 7 laws governing land use, including all zoning restrictions and liens
 8 and encumbrances created or suffered by the purchaser at the tax
 9 sale. The deed is prima facie evidence of:

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

14 (o) Notwithstanding the provisions of subsection (k), a county
 15 auditor is not required to execute a deed to the city under
 16 subsection (k) if the mayor determines that the property involved
 17 contains hazardous waste or another environmental hazard for
 18 which the cost of abatement or alleviation will exceed the fair
 19 market value of the property. The city may enter the property to
 20 conduct environmental investigations.

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

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

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

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

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

42 (s) The city shall mail a notice by certified mail before



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1 **December 31, 1999, to each person listed in subsection (r)(2). The**
2 **notice must state that the city has acquired title to the tract the**
3 **person occupies.**
4 **(t) If the city determines under IC 36-1-11 that real property**
5 **acquired under this SECTION must be retained by the city, the**
6 **city may not dispose of the real property. The mayor or the**
7 **mayor's designee may repair, maintain, equip, alter, and construct**
8 **buildings upon the real property retained under this section in the**
9 **same manner prescribed for other city buildings.**
10 **(u) This SECTION expires January 1, 2000.**
11 SECTION 31. THE FOLLOWING ARE REPEALED [EFFECTIVE
12 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

ES 327—LS 7104/DI 92+



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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:

ES 327—LS 7104/DI 92+



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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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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 327 be amended to read as follows:

Page 8, between lines 15 and 16, begin a new paragraph and insert:

"SECTION 8. IC 6-1.1-25-4, AS AMENDED BY P.L.89-1995, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 4. (a) 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:

- (1) one (1) year after the date of sale;
- (2) one hundred twenty (120) days after the county acquires a lien on the property under IC 6-1.1-24-6;
- (3) one hundred twenty (120) days from the date of sale to a purchasing agency qualified under IC 36-7-17;
- (4) one hundred twenty (120) days from the date of sale of real property on the list prepared under IC 6-1.1-24-1.5; or
- (5) one hundred twenty (120) days after the date of sale under IC 6-1.1-24-5.5(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. If a certificate of sale is issued to a county under IC 6-1.1-24-9 and the real property is not redeemed within one (1) year after the date of sale, the county auditor shall, upon receipt of the certificate and subject to the limitations contained in this chapter, issue a deed for the property to the county. 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.

(b) 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 his office. If real property that appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale and an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5(e) is not received, the county auditor shall issue a deed to the real property in the manner provided in IC 6-1.1-24-6.5.

(c) When a deed is issued to a county 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 cost of sale shall be removed from the tax duplicate in the same

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manner that taxes are removed by certificate of error.

(d) 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 which accrue subsequent to the sale and which are not removed under subsection (c). 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.

(e) Notwithstanding the provisions of subsection (a), a county auditor is not required to execute a deed to the county under subsection (a) if the county executive 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. **The county may enter the property to conduct environmental investigations.**

(f) If the county executive makes the determination under subsection (e) as to any interest in an oil or gas lease or separate mineral rights, the county treasurer shall certify all delinquent taxes, interest, penalties, and costs assessed under IC 6-1.1-24 to the clerk, following the procedures in IC 6-1.1-23-9. After the date of the county treasurer's certification, the certified amount is subject to collection as delinquent personal property taxes under IC 6-1.1-23. Notwithstanding IC 6-1.1-4-12.4 and IC 6-1.1-4-12.5, the assessed value of such an interest shall be zero (0) until production commences."

Page 9, line 30, after "." insert "**The city may enter the property to conduct environmental investigations.**".

Page 17, line 38, delete "an" and insert "a".

Page 17, line 39, delete "immediate".

Page 19, between lines 25 and 26, begin a new paragraph and insert:

"(o) Notwithstanding the provisions of subsection (k), a county auditor is not required to execute a deed to the city under subsection (k) 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

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market value of the property. The city may enter the property to conduct environmental investigations."

Page 19, line 26, delete "(o)" and insert "**(p)**".

Page 19, line 28, delete "(p)" and insert "**(q)**".

Page 19, line 41, delete "(q)" and insert "**(r)**".

Page 20, line 5, delete "(r)" and insert "**(s)**".

Page 20, line 6, delete "(q)(2)." and insert "**(r)(2)**".

Page 20, line 9, delete "(s)" and insert "**(t)**".

Page 20, line 15, delete "(t)" and insert "**(u)**".

Re-number all SECTIONS consecutively.

(Reference is to Senate bill 327 as printed February 18, 1998.)

V. SMITH

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 327 be amended to read as follows:

Page 2, line 20, delete "or".

Page 2, between lines 20 and 21, begin a new line block indented and insert:

"(2) city having a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000); or".

Page 2, line 21, delete "(2)" and insert "**(3)**".

Re-number all SECTIONS consecutively.

(Reference is to Engrossed Senate Bill 327 as printed February 18, 1998.)

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