Adopted	Rejected

COMMITTEE REPORT

YES: 11
NO: 1

MR. SPEAKER:
StevensonStevenson

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 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 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 [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 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.

(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 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 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 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 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 ~~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:

(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 ~~adoped~~ **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, 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 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 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.

(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:

(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.

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

and when so amended that said bill do pass.

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Representative Stevenson