

SENATE BILL No. 351

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-14-1-3; IC 8-14-2-4.

Synopsis: Distribution of highway funds. Changes the motor vehicle highway account and local road and street distribution formulas to include lane miles and not road miles. Changes the basis upon which the auditor of state allocates money from the local road and street account among the counties from passenger car registrations only to passenger car and pickup truck registrations. Requires that each county, city, and town annually file sufficient information with the Indiana department of transportation for the department to determine the lane mileage in the political subdivision. Requires the Indiana department of transportation to certify mileage for each county, city, and town to the auditor of state before December 1 in each year.

Effective: July 1, 1998.

Hume, L., Nugent

January 8, 1998, read first time and referred to Committee on Finance.

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Introduced

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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SENATE BILL No. 351



A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

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

1 SECTION 1. IC 8-14-1-3 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1998]: Sec. 3. The money collected for the
3 motor vehicle highway account fund and remaining after refunds and
4 the payment of all expenses incurred in the collection thereof, and after
5 the deduction of the amount appropriated to the department for traffic
6 safety and after the deduction of one-half (1/2) of the amount
7 appropriated for the state police department, shall be allocated to and
8 distributed among the department and subdivisions designated as
9 follows:
10 (1) Of the net amount in the motor vehicle highway account the
11 auditor of state shall set aside for the cities and towns of the state
12 fifteen percent (15%) thereof. This sum shall be allocated to the
13 cities and towns upon the basis that the population of each city
14 and town bears to the total population of all the cities and towns
15 and shall be used for the construction or reconstruction and
16 maintenance of streets and alleys and shall be annually budgeted
17 as now provided by law. However, no part of such sum shall be



1 used for any other purpose than for the purposes defined in this
2 chapter. If any funds allocated to any city or town shall be used by
3 any officer or officers of such city or town for any purpose or
4 purposes other than for the purposes as defined in this chapter,
5 such officer or officers shall be liable upon their official bonds to
6 such city or town in such amount so used for other purposes than
7 for the purposes as defined in this chapter, together with the costs
8 of said action and reasonable attorney fees, recoverable in an
9 action or suit instituted in the name of the state of Indiana on the
10 relation of any taxpayer or taxpayers resident of such city or town.
11 A monthly distribution thereof of funds accumulated during the
12 preceding month shall be made by the auditor of state.

13 (2) Of the net amount in the motor vehicle highway account, the
14 auditor of state shall set aside for the counties of the state
15 thirty-two percent (32%) thereof. However, as to the allocation to
16 cities and towns under subdivision (1), and as to the allocation to
17 counties under this subdivision in the event that the amount in the
18 motor vehicle highway account fund remaining after refunds and
19 the payment of all expenses incurred in the collection thereof and
20 after deduction of any amount appropriated by the general
21 assembly for public safety and policing shall be less than
22 twenty-two million six hundred ~~and~~ fifty thousand dollars
23 (\$22,650,000), in any fiscal year then the amount so set aside in
24 the next calendar year for distributions to counties shall be
25 reduced fifty-four percent (54%) of such deficit and the amount
26 so set aside for distribution in the next calendar year to cities and
27 towns shall be reduced thirteen percent (13%) of such deficit.
28 Such reduced distributions shall begin with the distribution
29 January 1 of each year.

30 (3) The amount set aside for the counties of the state under the
31 provisions of subdivision (2) shall be allocated monthly upon the
32 following basis:

33 (A) Five percent (5%) of the amount allocated to the counties
34 to be divided equally among the ninety-two (92) counties.

35 (B) Sixty-five percent (65%) of the amount allocated to the
36 counties to be divided on the basis of the ratio of the actual
37 **lane** miles, now traveled and in use, of county roads in each
38 county to the total **lane** mileage of county roads in the state,
39 which shall be annually determined, accurately, by the
40 department. **The department shall determine total lane**
41 **mileage based upon the lane miles in the county reported**
42 **by the county to the department according to the**

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1 **procedures established by the department. Each county**
 2 **shall annually file sufficient information with the**
 3 **department for the department to determine the lane**
 4 **mileage in the county for purposes of this clause.**

5 (C) Thirty percent (30%) of the amount allocated to the
 6 counties to be divided on the basis of the ratio of the motor
 7 vehicle registrations of each county to the total motor vehicle
 8 registration of the state.

9 All money so distributed to the several counties of the state shall
 10 constitute a special road fund for each of the respective counties
 11 and shall be under the exclusive supervision and direction of the
 12 board of county commissioners in the construction,
 13 reconstruction, maintenance, or repair of the county highways or
 14 bridges on such county highways within such county.

15 (4) Each month the remainder of the net amount in the motor
 16 vehicle highway account shall be credited to the state highway
 17 fund for the use of the department.

18 (5) Money in the fund may not be used for any toll road or toll
 19 bridge project.

20 (6) Notwithstanding any other provisions of this section, money
 21 in the motor vehicle highway account fund may be appropriated
 22 to the Indiana department of transportation from the forty-seven
 23 percent (47%) distributed to the political subdivisions of the state
 24 to pay the costs incurred by the department in providing services
 25 to those subdivisions.

26 (7) Notwithstanding any other provisions of this section or of
 27 IC 8-14-8, for the purpose of maintaining a sufficient working
 28 balance in accounts established primarily to facilitate the
 29 matching of federal and local money for highway projects, money
 30 may be appropriated to the Indiana department of transportation
 31 as follows:

32 (A) One-half (1/2) from the forty-seven percent (47%) set
 33 aside under subdivisions (1) and (2) for counties and for those
 34 cities and towns with a population greater than five thousand
 35 (5,000).

36 (B) One-half (1/2) from the distressed road fund under
 37 IC 8-14-8.

38 SECTION 2. IC 8-14-2-4 IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 1998]: Sec. 4. (a) The auditor of state shall
 40 establish a special account to be called the "local road and street
 41 account" and credit this account monthly with forty-five percent (45%)
 42 of the money deposited in the highway road and street fund.



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1 (b) The auditor of state shall distribute to units of local government
2 money from this account each month.

3 (c) The auditor of state shall allocate to each county the money in
4 this account on the basis of the ratio of each county's passenger car **and**
5 **pickup truck** registrations to the total passenger car **and pickup truck**
6 registrations of the state. **For purposes of this allocation, a pickup**
7 **truck is a truck that is registered under IC 9-18-2-8 as a truck with**
8 **a declared gross weight of not more than eleven thousand (11,000)**
9 **pounds.** The auditor of state shall further determine the suballocation
10 between the county and the cities within the county as follows:

11 (1) In counties having a population of more than fifty thousand
12 (50,000), sixty percent (60%) of the money shall be distributed on
13 the basis of the population of the city or town as a percentage of
14 the total population of the county and forty percent (40%)
15 distributed on the basis of the ratio of city and town street **lane**
16 mileage to county road **lane** mileage.

17 (2) In counties having a population of fifty thousand (50,000) or
18 less, twenty percent (20%) of the money shall be distributed on
19 the basis of the population of the city or town as a percentage of
20 the total population of the county and eighty percent (80%)
21 distributed on the basis of the ratio of city and town street **lane**
22 mileage to county road **lane** mileage.

23 (3) For the purposes of allocating funds as provided in this
24 section, towns which become incorporated as a town between the
25 effective dates of decennial censuses shall be eligible for
26 allocations upon the effectiveness of a corrected population count
27 for the town under IC 1-1-3.5.

28 (4) Money allocated under the provisions of this section to
29 counties containing a consolidated city shall be credited or
30 allocated to the department of transportation of the consolidated
31 city.

32 **(5) For the purposes of the suballocation under subdivisions**
33 **(1) through (2), "lane mileage" means the lane miles in the**
34 **political subdivision reported to the department according to**
35 **the procedures established by the department. Each county,**
36 **city, and town shall annually file sufficient information with**
37 **the department for the department to determine the lane**
38 **mileage in the political subdivision for purposes of this**
39 **section. The department shall certify the lane mileage for each**
40 **county, city, and town to the auditor of state before December**
41 **1 in each year.**

42 (d) Each month the auditor of state shall inform the department of

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- 1 the amounts allocated to each unit of local government from the local
- 2 road and street account.

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