March 26, 1999

ENGROSSED
HOUSE BILL No. 1639

DIGEST OF HB 1639 (Updated March 25, 1999 2:03 pm - DI 47)

Citations Affected: IC 8-14; IC 8-23; IC 9-15; IC 9-16; IC 9-24; IC 9-29.

Synopsis: Bureau of motor vehicles. Prohibits money collected for the motor vehicle highway account fund from being used to augment the budget of the bureau of motor vehicles commission. Requires the commission to determine annually the cost of operating license branches. Requires the bureau of motor vehicles to extend its normal working hours so that all applicants for a drive test who are otherwise qualified are entitled to a test within 14 days after applying to take the

(Continued next page)

Effective: May 1, 1999 (retroactive); July 1, 1999.

Bauer, Goeglein
(SENATE SPONSORS — MILLS, HUME)

January 21, 1999, read first time and referred to Committee on Ways and Means.
January 28, 1999, reported — Do Pass.
February 1, 1999, read second time, amended, ordered engrossed.
February 2, 1999, engrossed. Read third time, passed. Yeas 92, nays 2.

SENATE ACTION

February 25, 1999, read first time and referred to Committee on Rules and Legislative Procedure.
March 25, 1999, amended, reported favorably — Do Pass.

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Digest Continued

test. Allows the commission to contract with a qualified person for the administration of a bureau-approved standardized drive test examination. Provides that an individual holding a probationary driver's license may operate a motor vehicle in which there are passengers if the individual is driving to or from school or a school activity and the only passengers in the motor vehicle are siblings of the individual. Requires the commission to fund license branch operations with service charges on license branch services. Provides that after April 30, 1999, a new service charge or an increase in a service charge that is imposed by rule by the bureau of motor vehicles shall be collected as an additional charge to the license branch customer. Requires the bureau to adopt rules to decrease the service charges for services provided entirely outside the license branches.

C o p y

March 26, 1999

First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

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ENGROSSED HOUSE BILL No. 1639

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

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

SECTION 1. IC 8-14-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. **(a) The money collected for the motor vehicle highway account fund may not be used to augment the budget of the bureau of motor vehicles commission.**

(b) The money collected for the motor vehicle highway account fund and remaining after refunds and the payment of all expenses incurred in the collection thereof, and after the deduction of the amount appropriated to the department for traffic safety and after the deduction of one-half (1/2) of the amount appropriated for the state police department, shall be allocated to and distributed among the department and subdivisions designated as follows:

(1) Of the net amount in the motor vehicle highway account the auditor of state shall set aside for the cities and towns of the state fifteen percent (15%) thereof. This sum shall be allocated to the cities and towns upon the basis that the population of each city and town bears to the total population of all the cities and towns and shall be used for the construction or reconstruction and maintenance of streets and alleys and shall be annually budgeted

as now provided by law. However, no part of such sum shall be used for any other purpose than for the purposes defined in this chapter. If any funds allocated to any city or town shall be used by any officer or officers of such city or town for any purpose or purposes other than for the purposes as defined in this chapter, such officer or officers shall be liable upon their official bonds to such city or town in such amount so used for other purposes than for the purposes as defined in this chapter, together with the costs of said action and reasonable attorney fees, recoverable in an action or suit instituted in the name of the state of Indiana on the relation of any taxpayer or taxpayers resident of such city or town. A monthly distribution thereof of funds accumulated during the preceding month shall be made by the auditor of state.

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

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

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

(B) Sixty-five percent (65%) of the amount allocated to the counties to be divided on the basis of the ratio of the actual miles, now traveled and in use, of county roads in each county to the total mileage of county roads in the state, which shall be annually determined, accurately, by the department.

(C) Thirty percent (30%) of the amount allocated to the counties to be divided on the basis of the ratio of the motor

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vehicle registrations of each county to the total motor vehicle registration of the state.

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

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

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

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

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

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

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

SECTION 2. IC 8-14-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 11. (a) The department may create a local agency revolving fund from money appropriated under section ~~3(7)~~ **3(b)(7)** of this chapter for the purpose of maintaining a sufficient working balance in accounts established primarily to facilitate the matching of federal and local money for highway projects.

(b) The revolving fund balance must be maintained through reimbursement from a local unit for money used by that unit to match federal funds.

(c) If the local unit fails to reimburse the revolving fund, the

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department shall notify the local unit that the department has found the outstanding accounts receivable to be uncollectible.

(d) The attorney general shall review the outstanding accounts receivable and if the attorney general agrees with the department's assessment of the account's status, the attorney general shall certify to the auditor of state that the outstanding accounts receivable is uncollectible and request a transfer of funds as provided in subsection (e).

(e) Upon receipt of a certificate as specified in subsection (d), the auditor of state shall:

(1) immediately notify the delinquent local unit of the claim; and

(2) if proof of payment is not furnished to the auditor of state within thirty (30) days after the notification, transfer an amount equal to the outstanding accounts receivable to the department from the delinquent local unit's allocations from the motor vehicle highway account for deposit in the local agency revolving fund.

(f) Transfers shall be made under subsection (e) until the unpaid amount has been paid in full under the terms of the agreement. However, the agreement may be amended if both the department and the unit agree to amortize the transfer over a period not to exceed five (5) years.

(g) Money in the fund at the end of a fiscal year does not revert to the state general fund.

SECTION 3. IC 8-23-9-54 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 54. (a) To provide funds for carrying out the provisions of this chapter, there is created a state highway fund from the following sources:

(1) All money in the general fund to the credit of the state highway account.

(2) All money that is received from the Department of Transportation or other federal agency and known as federal aid.

(3) All money paid into the state treasury to reimburse the state for money paid out of the state highway fund.

(4) All money provided by Indiana law for the construction, maintenance, reconstruction, repair, and control of public highways, as provided under this chapter.

(5) All money that on May 22, 1933, was to be paid into the state highway fund under contemplation of any statute in force as of May 22, 1933.

(6) All money that may at any time be appropriated from the state treasury.

(7) Any part of the state highway fund unexpended at the

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expiration of any fiscal year, which shall remain in the fund and be available for the succeeding years.

(8) Any money credited to the state highway fund from the motor vehicle highway account under ~~IC 8-14-1-3(4).~~ **IC 8-14-1-3(b)(4).**

(9) Any money credited to the state highway fund from the highway road and street fund under IC 8-14-2-3.

(10) Any money credited to the state highway fund under IC 6-6-4.1-5 or IC 8-16-1-17.1.

(b) All expenses incurred in carrying out this chapter shall be paid out of the state highway fund.

SECTION 4. IC 9-15-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. The commission shall do the following:

(1) Develop and continuously update the bureau's policies.

(2) Recommend to the governor legislation that is needed to implement the policies developed by the commission.

(3) Recommend to the bureau proposed rules that are needed to implement the policies developed by the commission and require those proposed rules to be adopted under IC 4-22-2.

(4) Review, revise, adopt, and submit to the budget agency budget proposals for the commission, the bureau, and the license branches operated under IC 9-16, including the budget required by IC 9-16-3-3.

(5) Establish the determination criteria and determine the number and location of license branches to be operated under IC 9-16. However, there must be at least one (1) full service license branch in each county.

(6) Establish and adopt minimum standards for the operation and maintenance of each full service license branch operated under IC 9-16. **The bureau shall extend its normal working hours so that all applicants for a drive test who are otherwise qualified are entitled to a drive test within fourteen (14) days after applying to take the drive test.**

(7) Before January 1, 1997, establish and adopt minimum standards for the operation and maintenance of each partial service contractor under IC 9-16. The standards must result in more convenience to the public by providing license branch services at as many walk-up locations as possible without increasing the costs of providing these services.

(8) Before March 1, 1997, establish and adopt minimum standards for providing license branch services using telephonic,

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facsimile, electronic, or computer means under IC 9-16.

(9) Administer the state license branch fund established under IC 9-29-14.

(10) Determine annually the total cost of operating the license branches under IC 9-16.

(11) Authorize the bureau to adopt rules under IC 4-22-2 and IC 9-29-3-19 to impose service charges upon license branch services in the amounts necessary to fund license branch operations.

SECTION 5. IC 9-16-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter, "qualified person" means any of the following:

(1) A motor club that is any of the following:

(A) A domestic corporation.

(B) A foreign corporation qualified to transact business in Indiana under IC 23-1 or IC 23-17.

(2) A financial institution (as defined in IC 28-1-1-3).

(3) A new motor vehicle dealer licensed under IC 9-23-2.

(4) Other persons, including persons licensed under IC 9-23-2 that are not covered by subdivision (3), that the commission determines can meet the standards adopted by the commission under IC 9-15-2-1(7) and the requirements for partial service contractors under section 4.5 of this chapter.

(5) Persons providing driver's license examinations who:

(A) the commission determines are qualified to give the bureau-approved standardized drive test examination; and

(B) contract with the commission under section 4 (a) of this chapter.

SECTION 6. IC 9-16-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) The commission may contract with a qualified person for:

(1) the operation of a full service license branch under this section; ~~or~~

(2) ~~providing~~ **the provision of** partial services under section 4.5 of this chapter; **or**

(3) the administration of a bureau-approved standardized drive test examination under section 1 of this chapter.

(b) A contract for the operation of a full service license branch must include the following provisions:

(1) The contractor shall provide a full service license branch, including the following services:

(A) Vehicle titles.

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(B) Vehicle registration.
(C) Driver's licenses.
(D) Voter registration as provided in IC 3-7.

(2) The contractor shall provide trained personnel to properly process branch transactions.

(3) The contractor shall do the following:

(A) Collect and transmit all bureau fees and taxes collected at the license branch.

(B) Deposit the taxes collected at the license branch with the county treasurer in the manner prescribed by IC 6-3.5 or IC 6-6-5.

(4) The contractor shall generate a transaction volume sufficient to justify the installation of bureau support systems.

(5) The contractor shall provide fidelity bond coverage in an amount prescribed by the commission.

(6) The contractor may operate the license branch within a facility used for other purposes.

(7) The contractor shall pay the cost of any post audits conducted by the commission or the state board of accounts on an actual cost basis.

(8) The commission shall provide support systems and driver's license examiners on the same basis as state operated branches.

(9) The commission shall provide the same equipment to contractors as is provided to state operated branches.

(10) The commission must approve each location and physical facility based upon criteria developed by the commission.

(11) The term of the contract must be for a fixed period.

(12) The contractor shall agree to provide voter registration services and to perform the same duties imposed on the commission under IC 3-7.

SECTION 7. IC 9-24-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) A license issued to an individual less than eighteen (18) years of age is a probationary license.

(b) An individual holds a probationary license subject to the following conditions:

(1) Except as provided in IC 31-37-3-1, the individual may not operate a motor vehicle during the curfew hours specified in IC 31-37-3-2.

(2) During the ninety (90) days following the issuance of the probationary license, the individual may not operate a motor vehicle in which there are passengers unless:

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(A) another individual who:

~~(A)~~ **(i)** is at least twenty-one (21) years of age; and

~~(B)~~ **(ii)** holds a valid operator's license issued under this article;

is present in the front seat of the motor vehicle; **or**

(B) the individual is driving to or from school or a school activity and the only passengers in the motor vehicle are siblings of the individual.

(3) The individual may operate a motor vehicle only if the individual and each occupant of the motor vehicle has a safety belt properly fastened about the occupant's body at all times when the motor vehicle is in motion.

(c) An individual who holds a probationary license issued under this section may receive an operator's license:

(1) when the individual is at least eighteen (18) years of age; and

(2) unless in the twelve (12) months that immediately precede the date upon which the individual applies for an operator's license, either of the following occurs at least twice or both of the following have occurred:

(A) The individual has been convicted of a moving traffic offense (as defined in IC 9-30-3-14(a)). As used in this subsection, the term "moving traffic offense" does not refer to offenses that solely involve motor vehicle equipment.

(B) The individual has been the operator of a motor vehicle involved in an accident for which a report is required to be filed under IC 9-26-2.

SECTION 8. IC 9-29-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 19. (a) Subject to subsection (b) and with the approval of the commission, the bureau may adopt rules under IC 4-22-2 to do the following:

(1) Increase or decrease any of the service charges listed in sections 1 through 18 of this chapter.

(2) Impose a service charge on any other license branch service that is not listed in sections 1 through 18 of this chapter.

(3) Increase or decrease a service charge imposed under subdivision (2).

(b) The bureau's authority to adopt rules under subsection (a) is subject to the condition that a service charge must be uniform throughout all license branches and at all partial service locations in Indiana.

(c) A service charge imposed on a license branch service under this section must be used to fund license branch operations under

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IC 9-16.

SECTION 9. IC 9-29-3-19.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999] : **Sec. 19.5. (a) Subject to subsection (b), the bureau shall adopt rules under IC 4-22-2 to decrease the service charges listed in sections 1 through 18 of this chapter for a service that uses:**

(1) mail for the entire transaction;

(2) the Internet or other computer network for the entire transaction; or

(3) an automated machine for the entire transaction.

(b) The bureau's authority to adopt rules under subsection (a) is subject to the condition that a service charge must be uniform throughout all license branches and at all partial service locations in Indiana.

SECTION 10. IC 9-29-3-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 1, 1999 (RETROACTIVE)]: Sec. 22. **(a) Before May 1, 1999,** a new service charge or an increase in a service charge that is imposed by rule under section 19 of this chapter shall be:

(1) collected as an additional charge **to the license branch customer;** or

(2) withheld from any statutory fee.

(b) After April 30, 1999, a new service charge or an increase in a service charge that is imposed by rule under section 19 of this chapter shall be collected as an additional charge to the license branch customer.

SECTION 11. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1639, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BAUER, Chair

Committee Vote: yeas 19, nays 3.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1639 be amended to read as follows:

Page 4, line 10, after "IC 9-16." insert "**The bureau shall extend its normal working hours so that all applicants for a drive test who are otherwise qualified are entitled to a drive test within fourteen (14) days after applying to take the drive test.**".

Page 4, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 3. IC 9-16-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter, "qualified person" means any of the following:

(1) A motor club that is any of the following:

(A) A domestic corporation.

(B) A foreign corporation qualified to transact business in Indiana under IC 23-1 or IC 23-17.

(2) A financial institution (as defined in IC 28-1-1-3).

(3) A new motor vehicle dealer licensed under IC 9-23-2.

(4) Other persons, including persons licensed under IC 9-23-2 that are not covered by subdivision (3), that the commission determines can meet the standards adopted by the commission under IC 9-15-2-1(7) and the requirements for partial service contractors under section 4.5 of this chapter.

(5) Persons providing driver's license examinations who:

(A) the commission determines are qualified to give the bureau-approved standardized drive test examination; and

(B) contract with the commission under section 4 (a) of this chapter.

SECTION 4. IC 9-16-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) The commission may contract with a qualified person for:

(1) the operation of a full service license branch under this section; ~~or~~

(2) ~~providing~~ **the provision of** partial services under section 4.5 of this chapter; **or**

(3) the administration of a bureau-approved standardized drive test examination under section 1 of this chapter.

(b) A contract for the operation of a full service license branch must include the following provisions:

(1) The contractor shall provide a full service license branch, including the following services:

(A) Vehicle titles.

(B) Vehicle registration.

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(C) Driver's licenses.

(D) Voter registration as provided in IC 3-7.

(2) The contractor shall provide trained personnel to properly process branch transactions.

(3) The contractor shall do the following:

(A) Collect and transmit all bureau fees and taxes collected at the license branch.

(B) Deposit the taxes collected at the license branch with the county treasurer in the manner prescribed by IC 6-3.5 or IC 6-6-5.

(4) The contractor shall generate a transaction volume sufficient to justify the installation of bureau support systems.

(5) The contractor shall provide fidelity bond coverage in an amount prescribed by the commission.

(6) The contractor may operate the license branch within a facility used for other purposes.

(7) The contractor shall pay the cost of any post audits conducted by the commission or the state board of accounts on an actual cost basis.

(8) The commission shall provide support systems and driver's license examiners on the same basis as state operated branches.

(9) The commission shall provide the same equipment to contractors as is provided to state operated branches.

(10) The commission must approve each location and physical facility based upon criteria developed by the commission.

(11) The term of the contract must be for a fixed period.

(12) The contractor shall agree to provide voter registration services and to perform the same duties imposed on the commission under IC 3-7.

SECTION 5. IC 9-24-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) A license issued to an individual less than eighteen (18) years of age is a probationary license.

(b) An individual holds a probationary license subject to the following conditions:

(1) Except as provided in IC 31-37-3-1, the individual may not operate a motor vehicle during the curfew hours specified in IC 31-37-3-2.

(2) During the ninety (90) days following the issuance of the probationary license, the individual may not operate a motor vehicle in which there are passengers unless:

(A) another individual who:

C o p y

~~(A)~~ **(i)** is at least twenty-one (21) years of age; and

~~(B)~~ **(ii)** holds a valid operator's license issued under this article;

is present in the front seat of the motor vehicle; **or**

(B) the individual is driving to or from school or a school activity and the only passengers in the motor vehicle are siblings of the individual.

(3) The individual may operate a motor vehicle only if the individual and each occupant of the motor vehicle has a safety belt properly fastened about the occupant's body at all times when the motor vehicle is in motion.

(c) An individual who holds a probationary license issued under this section may receive an operator's license:

(1) when the individual is at least eighteen (18) years of age; and

(2) unless in the twelve (12) months that immediately precede the date upon which the individual applies for an operator's license, either of the following occurs at least twice or both of the following have occurred:

(A) The individual has been convicted of a moving traffic offense (as defined in IC 9-30-3-14(a)). As used in this subsection, the term "moving traffic offense" does not refer to offenses that solely involve motor vehicle equipment.

(B) The individual has been the operator of a motor vehicle involved in an accident for which a report is required to be filed under IC 9-26-2.".

Page 5, after line 15, begin a new paragraph and insert:

"SECTION 8. IC 9-29-3-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 1, 1999 (RETROACTIVE)]: Sec. 22. **(a) Before May 1, 1999,** a new service charge or an increase in a service charge that is imposed by rule under section 19 of this chapter shall be:

(1) collected as an additional charge **to the license branch customer;** or

(2) withheld from any statutory fee.

(b) After April 30, 1999, a new service charge or an increase in a service charge that is imposed by rule under section 19 of this chapter shall be collected as an additional charge to the license branch customer.

SECTION 9. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1639 as printed January 29, 1999.)

BAUER

C o p y

HOUSE MOTION

Mr. Speaker: I move that House Bill 1639 be amended to read as follows:

Page 3, between lines 32 and 33, begin a new paragraph and insert:

"SECTION 2. IC 9-14-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 1.5 Bureau of Motor Vehicles Study Committee

Sec. 1. (a) As used in this chapter, "committee" refers to the bureau of motor vehicles study committee established by subsection (b).

(b) The bureau of motor vehicles study committee is established to study the bureau of motor vehicles and the bureau of motor vehicles commission.

Sec. 2. (a) The bureau of motor vehicles study committee shall study:

(1) the bureau of motor vehicles;

(2) the bureau of motor vehicles commission; and

(3) other bureau of motor vehicles issues identified by the committee as requiring study.

(b) The committee may study other topics assigned by the legislative council or as directed by the committee chair.

Sec. 3. The committee consists of six (6) members appointed as follows:

(1) Two (2) members of the senate, not more than one (1) of whom may be affiliated with the same political party, to be appointed by the president pro tempore of the senate.

(2) Two (2) members of the house of representatives, not more than one (1) of whom may be affiliated with the same political party, to be appointed by the speaker of the house of representatives.

(3) Two (2) individuals who are not members of the general assembly, not more than one (1) of whom may be affiliated with the same political party, to be appointed by the governor.

Sec. 4. The governor shall appoint a member of the committee to serve as chair of the committee, and a member of the committee to serve as vice chair of the committee.

Sec. 5. (a) If a legislative member of the committee ceases to be a member of the chamber from which the member was appointed, the member also ceases to be a member of the committee.

(b) A member of the committee may be removed at any time by

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the appointing authority who appointed the legislative member.

(c) If a vacancy exists on the committee, the appointing authority who appointed the former member whose position is vacant shall appoint an individual to fill the vacancy.

Sec. 6. (a) The committee shall submit an annual report of the results of its study to the legislative council before June 30, 2000.

(b) The legislative services agency shall provide staff support to the committee.

(c) The committee may employ consultants and experts to assist with its study.

Sec. 7. Each member of the committee is entitled to receive the same per diem, mileage, and travel allowances paid to individuals who serve as legislative and lay members, respectively, of interim study committees established by the legislative council.

Sec. 8. (a) A quorum of the committee consists of four (4) members.

(b) The affirmative votes of a majority of the members appointed to the committee are required for the committee to take action on any measure, including final reports."

Renumber all SECTIONS consecutively.

(Reference is to HB 1639 as printed January 29, 1999.)

GOEGLEIN

C o p y

COMMITTEE REPORT

Mr. President: The Senate Committee on Rules and Legislative Procedure, to which was referred House Bill No. 1639, 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 3, delete lines 33 through 42, begin a new paragraph and insert:

"SECTION 2. IC 8-14-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 11. (a) The department may create a local agency revolving fund from money appropriated under section ~~3(7)~~ **3(b)(7)** of this chapter for the purpose of maintaining a sufficient working balance in accounts established primarily to facilitate the matching of federal and local money for highway projects.

(b) The revolving fund balance must be maintained through reimbursement from a local unit for money used by that unit to match federal funds.

(c) If the local unit fails to reimburse the revolving fund, the department shall notify the local unit that the department has found the outstanding accounts receivable to be uncollectible.

(d) The attorney general shall review the outstanding accounts receivable and if the attorney general agrees with the department's assessment of the account's status, the attorney general shall certify to the auditor of state that the outstanding accounts receivable is uncollectible and request a transfer of funds as provided in subsection (e).

(e) Upon receipt of a certificate as specified in subsection (d), the auditor of state shall:

(1) immediately notify the delinquent local unit of the claim; and

(2) if proof of payment is not furnished to the auditor of state within thirty (30) days after the notification, transfer an amount equal to the outstanding accounts receivable to the department from the delinquent local unit's allocations from the motor vehicle highway account for deposit in the local agency revolving fund.

(f) Transfers shall be made under subsection (e) until the unpaid amount has been paid in full under the terms of the agreement. However, the agreement may be amended if both the department and the unit agree to amortize the transfer over a period not to exceed five (5) years.

(g) Money in the fund at the end of a fiscal year does not revert to the state general fund.

C o p y

SECTION 3. IC 8-23-9-54 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 54. (a) To provide funds for carrying out the provisions of this chapter, there is created a state highway fund from the following sources:

(1) All money in the general fund to the credit of the state highway account.

(2) All money that is received from the Department of Transportation or other federal agency and known as federal aid.

(3) All money paid into the state treasury to reimburse the state for money paid out of the state highway fund.

(4) All money provided by Indiana law for the construction, maintenance, reconstruction, repair, and control of public highways, as provided under this chapter.

(5) All money that on May 22, 1933, was to be paid into the state highway fund under contemplation of any statute in force as of May 22, 1933.

(6) All money that may at any time be appropriated from the state treasury.

(7) Any part of the state highway fund unexpended at the expiration of any fiscal year, which shall remain in the fund and be available for the succeeding years.

(8) Any money credited to the state highway fund from the motor vehicle highway account under ~~IC 8-14-1-3(4).~~ **IC 8-14-1-3(b)(4).**

(9) Any money credited to the state highway fund from the highway road and street fund under IC 8-14-2-3.

(10) Any money credited to the state highway fund under IC 6-6-4.1-5 or IC 8-16-1-17.1.

(b) All expenses incurred in carrying out this chapter shall be paid out of the state highway fund.".

Delete page 4.

Page 5, delete lines 1 through 5.

Page 9, reset in roman line 16 .

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1639 as reprinted February 2, 1999.)

GARTON, Chairperson

Committee Vote: Yeas 6, Nays 0.

C o p y