



January 29, 1999

HOUSE BILL No. 1639

DIGEST OF HB1639 (Updated January 27, 1999 7:38 pm - DI 58)

Citations Affected: IC 8-14; IC 9-15; 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 commission to fund license branch operations with service charges on license branch services. Requires the bureau to adopt rules to decrease the service charges for services provided entirely outside the license branches.

Effective: July 1, 1999.

Bauer

January 21, 1999, read first time and referred to Committee on Ways and Means.
January 28, 1999, reported — Do Pass.

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HB 1639—LS 7826/DI 96+



January 29, 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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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:

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

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

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

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1 maintenance of streets and alleys and shall be annually budgeted
2 as now provided by law. However, no part of such sum shall be
3 used for any other purpose than for the purposes defined in this
4 chapter. If any funds allocated to any city or town shall be used by
5 any officer or officers of such city or town for any purpose or
6 purposes other than for the purposes as defined in this chapter,
7 such officer or officers shall be liable upon their official bonds to
8 such city or town in such amount so used for other purposes than
9 for the purposes as defined in this chapter, together with the costs
10 of said action and reasonable attorney fees, recoverable in an
11 action or suit instituted in the name of the state of Indiana on the
12 relation of any taxpayer or taxpayers resident of such city or town.
13 A monthly distribution thereof of funds accumulated during the
14 preceding month shall be made by the auditor of state.

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

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

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

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

42 (C) Thirty percent (30%) of the amount allocated to the

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1 counties to be divided on the basis of the ratio of the motor
2 vehicle registrations of each county to the total motor vehicle
3 registration of the state.

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

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

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

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

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

27 (A) One-half (1/2) from the forty-seven percent (47%) set
28 aside under subdivisions (1) and (2) for counties and for those
29 cities and towns with a population greater than five thousand
30 (5,000).

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

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

- 36 (1) Develop and continuously update the bureau's policies.
37 (2) Recommend to the governor legislation that is needed to
38 implement the policies developed by the commission.
39 (3) Recommend to the bureau proposed rules that are needed to
40 implement the policies developed by the commission and require
41 those proposed rules to be adopted under IC 4-22-2.
42 (4) Review, revise, adopt, and submit to the budget agency budget

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1 proposals for the commission, the bureau, and the license
2 branches operated under IC 9-16, including the budget required
3 by IC 9-16-3-3.

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

8 (6) Establish and adopt minimum standards for the operation and
9 maintenance of each full service license branch operated under
10 IC 9-16.

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

17 (8) Before March 1, 1997, establish and adopt minimum
18 standards for providing license branch services using telephonic,
19 facsimile, electronic, or computer means under IC 9-16.

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

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

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

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

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

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

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

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

42 (c) A service charge imposed on a license branch service under

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1 **this section must be used to fund license branch operations under**
2 **IC 9-16.**
3 SECTION 4. IC 9-29-3-19.5 IS ADDED TO THE INDIANA CODE
4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
5 1, 1999]: **Sec. 19.5. (a) Subject to subsection (b), the bureau shall**
6 **adopt rules under IC 4-22-2 to decrease the service charges listed**
7 **in sections 1 through 18 of this chapter for a service that uses:**
8 (1) **mail for the entire transaction;**
9 (2) **the Internet or other computer network for the entire**
10 **transaction; or**
11 (3) **an automated machine for the entire transaction.**
12 (b) **The bureau's authority to adopt rules under subsection (a)**
13 **is subject to the condition that a service charge must be uniform**
14 **throughout all license branches and at all partial service locations**
15 **in Indiana.**

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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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