

Adopted	Rejected
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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:*

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 local government.
- 4 Page 1, between line 1 and the enacting clause, begin a new
- 5 paragraph and insert:
- 6 "SECTION 1. IC 6-1.1-24-1.2, AS AMENDED BY P.L.30-1994,
- 7 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 8 JULY 1, 1998]: Sec. 1.2. (a) **Except as provided in subsection (c)**, a
- 9 tract or an item of real property may not be removed from the list
- 10 certified under section 1 of this chapter before the tax sale unless all
- 11 delinquent taxes, special assessments, penalties due on the
- 12 delinquency, interest, and costs directly attributable to the tax sale have
- 13 been paid in full.
- 14 (b) A county treasurer may accept partial payments of delinquent
- 15 property taxes, assessments, penalties, interest, or costs under
- 16 subsection (a) after the list of real property is certified under section 1

1 of this chapter.

2 (c) A county auditor may remove a tract or an item of real
3 property from the list certified under section 1 of this chapter
4 before the tax sale if the county auditor, the county treasurer and
5 the taxpayer agree to a mutually satisfactory arrangement for the
6 payment of the delinquent taxes.

7 (d) The county treasurer may remove the tract or item from
8 the list certified under section 1 of this chapter if the arrangement
9 described in subsection (c):

10 (1) is in writing;

11 (2) is signed by the taxpayer; and

12 (3) requires the taxpayer to pay the delinquent taxes in full
13 within one (1) year of the date the agreement is signed.

14 (e) If the taxpayer fails to make a payment under the
15 arrangement described in subsection (c), the county auditor shall
16 immediately place the tract or item of real property on the list of
17 real property eligible for sale at a tax sale.

18 (f) If the tract or item of real property subject to a payment
19 arrangement described in subsection (c) is within the jurisdiction
20 of a:

21 (1) city having a population of more than one hundred ten
22 thousand (110,000) but less than one hundred twenty
23 thousand (120,000); or

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

27 the county auditor shall notify the mayor of the city of the
28 arrangement."

29 Page 4, after line 9, begin a new paragraph and insert:

30 "SECTION 4. IC 6-1.1-24-5.2 IS ADDED TO THE INDIANA
31 CODE AS A NEW SECTION TO READ AS FOLLOWS
32 [EFFECTIVE JULY 1, 1998]: **Sec. 5.2. (a) This section applies to a
33 county having a population of more than four hundred thousand
34 (400,000) but less than seven hundred thousand (700,000).**

35 (b) If:

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

38 (2) the county does not offer the tract or item of real

- 1 **property for sale under sections 1 through 5 of this chapter;**
 2 **and**
 3 **(3) the tract or item of real property is within the jurisdiction**
 4 **of:**
- 5 **(A) a city having a population of more than thirty-three**
 6 **thousand eight hundred fifty (33,850) but less than**
 7 **thirty-five thousand (35,000); or**
 8 **(B) a city having a population of more than one hundred**
 9 **ten thousand (110,000) but less than one hundred twenty**
 10 **thousand (120,000);**
- 11 **the tract or item of real property may be offered for sale by the**
 12 **city in a manner consistent with the provisions of sections 1**
 13 **through 5 of this chapter and subsections (c) and (d).**
- 14 **(c) Notwithstanding any other law, the city may offer a tract**
 15 **or item of real property described in subsection (b) for sale on a**
 16 **date that is on or after January 1 and before March 31 of the year**
 17 **immediately following the year in which the property was placed**
 18 **on the delinquency list prepared under section 1 of this chapter. A**
 19 **sale conducted under this section must be held on the same date**
 20 **that the city conducts an expedited tax sale under section 5.6 of this**
 21 **chapter.**
- 22 **(d) All notice and judgment requirements set forth in this**
 23 **chapter and IC 6-1.1-25 are applicable to a city tax sale under**
 24 **subsection (b).**
- 25 **(e) This section expires June 30, 2001.**
- 26 **SECTION 5. IC 6-1.1-24-5.6 IS ADDED TO THE INDIANA**
 27 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 28 **[EFFECTIVE JULY 1, 1998]: Sec. 5.6. (a) This section applies to:**
- 29 **(1) a city having a population of more than one hundred ten**
 30 **thousand (110,000) but less than one hundred twenty**
 31 **thousand (120,000); and**
 32 **(2) a city having a population of more than thirty-three**
 33 **thousand eight hundred fifty (33,850) but less than thirty-five**
 34 **thousand (35,000).**
- 35 **(b) If:**
- 36 **(1) a tract or an item of real property within the jurisdiction**
 37 **of the city is offered for sale under sections 1 through 5 of**
 38 **this chapter; and**

1 **(2) an amount is not received that is at least equal to the**
 2 **minimum sale price required under section 5(e) of this**
 3 **chapter;**

4 **the tract or an item of real property may be offered for sale a**
 5 **second time consistent with the provisions of sections 1 through 5**
 6 **of this chapter or subsection (c).**

7 **(c) Notwithstanding any other law, if:**

8 **(1) a tract or an item of real property within the jurisdiction**
 9 **of the city is offered for sale under sections 1 through 5 of**
 10 **this chapter;**

11 **(2) an amount is not received that is at least equal to the**
 12 **minimum sale price required under section 5(e) of this**
 13 **chapter; and**

14 **(3) the county auditor and the mayor of the city jointly agree**
 15 **to an expedited tax sale under this subsection;**

16 **the city may offer the tract or item of real property for sale a**
 17 **second time on a date that is on or after January 1 and before**
 18 **March 31 of the year immediately following the year in which the**
 19 **property was initially offered for sale and at least ninety (90) days**
 20 **after the date of the initial sale.**

21 **(d) All notice and judgment requirements set forth in this**
 22 **chapter and IC 6-1.1-25 are applicable to the second expedited tax**
 23 **sale under subsection (c).**

24 **(e) If the city offers a tract or item of real property for sale at**
 25 **an expedited sale under subsection (c), the county may not offer the**
 26 **tract or item of real property for sale under section 5.5 of this**
 27 **chapter.**

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

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

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

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

38 **(b) When a tract or an item of real property is offered for sale**

1 under section 5.2 or 5.6 of this chapter and an amount is not
 2 received equal to or in excess of the minimum sale price prescribed
 3 in section 5(e) of this chapter, the city acquires a lien in the amount
 4 of the minimum sale price. This lien attaches on the day after the
 5 last date on which the tract or item was offered for sale under
 6 section 5.2 or 5.6 of this chapter.

7 (c) When a city acquires a lien under this section, the county
 8 auditor shall issue a tax sale certificate to the city in the manner
 9 provided in section 9 of this chapter. The county auditor shall date
 10 the certificate the day that the city acquires the lien. When a city
 11 acquires a certificate under this section, the city has the same
 12 rights as a purchaser. However, the city shall hold the property for
 13 the taxing units described in subsection (d).

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

18 (e) This section expires June 30, 2001.

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

- 28 (1) a description of real property which corresponds to the
- 29 description used on the notice of sale;
- 30 (2) the name of the former owner, if known;
- 31 (3) the name of the purchaser;
- 32 (4) the date of sale;
- 33 (5) the amount for which the real property was sold;
- 34 (6) the amount of the minimum bid for which the tract or real
- 35 property was offered at the time of sale as required by section 5
- 36 of this chapter; and
- 37 (7) the date when the purchaser is first entitled to request a deed
- 38 to the property.

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

5 (c) A certificate of sale is assignable. However, an assignment is
6 not valid unless it is endorsed on the certificate of sale, acknowledged
7 before an officer authorized to take acknowledgments of deeds, and
8 registered in the office of the county auditor. When a certificate of sale
9 is assigned, the assignee acquires the same rights and obligations that
10 the original purchaser acquired.

11 SECTION 8. IC 6-1.1-25-4.2 IS ADDED TO THE INDIANA
12 CODE AS A NEW SECTION TO READ AS FOLLOWS
13 [EFFECTIVE JULY 1, 1998]: **Sec. 4.2. (a) This section applies to:**

14 (1) a city having a population of more than one hundred ten
15 thousand (110,000) but less than one hundred twenty
16 thousand (120,000); and

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

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

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

33 (d) **The county auditor shall execute deeds issued under this**
34 **section in the name of the state under the county auditor's name**
35 **and seal. If a certificate of sale is lost before the execution of a**
36 **deed, the county auditor shall, subject to the limitations in this**
37 **chapter, execute and deliver a deed if the court has made a finding**
38 **that the certificate did exist.**

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

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

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

21 (1) the regularity of the sale of the real property described in
22 the deed;

23 (2) the regularity of all proper proceedings; and

24 (3) valid title in fee simple in the grantee of the deed.

25 (h) Notwithstanding the provisions of subsection (c), a county
26 auditor is not required to execute a deed to the city under
27 subsection (c) if the mayor determines that the property involved
28 contains hazardous waste or another environmental hazard for
29 which the cost of abatement or alleviation will exceed the fair
30 market value of the property.

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

32 SECTION 9. IC 6-1.1-25-5.5 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 5.5. (a) The deed given
34 by the county auditor to a county which acquired property under
35 IC 6-1.1-24-6, or to a city agency which acquired property under
36 IC 36-7-17, shall be in a form prescribed by the state board of accounts
37 and approved by the attorney general.

38 (b) The deed given by the county auditor to a city that acquires

1 **property under IC 6-1.1-24-6.6 must be in a form prescribed by the**
 2 **state board of accounts and approved by the attorney general.**

3 SECTION 10. IC 6-1.1-25-7, AS AMENDED BY P.L.2-1995,
 4 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 1998]: Sec. 7. (a) The holder of a certificate of sale, or his
 6 successors or assigns, shall have the county auditor execute a deed to
 7 the real property within two (2) years after the date of the sale. If the
 8 purchaser, or his successors or assigns, fails to have the county auditor
 9 execute a deed within that time period, the purchaser's lien against the
 10 real property terminates at the end of the time period. However, this
 11 section does not apply if the county **or city** is the holder of the
 12 certificate of sale.

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

17 SECTION 11. IC 6-1.1-25-9.5 IS ADDED TO THE INDIANA
 18 CODE AS A NEW SECTION TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 1998]: **Sec. 9.5. (a) This section applies to:**

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

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

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

30 **(1) First, to the cost of the sale, including the cost of**
 31 **maintenance, preservation, and administration of the**
 32 **property before sale, including prior unpaid costs of sales,**
 33 **preparation of the property for sale, advertising, and**
 34 **appraisal.**

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

37 **(3) Third, any surplus remaining must be deposited in the**
 38 **city's general fund.**

1 **(c) The mayor or the mayor's designee shall file a report with**
 2 **the county board of commissioners before January 31. The report**
 3 **must:**

4 **(1) list the real property acquired under IC 6-1.1-24 and this**
 5 **chapter; and**

6 **(2) indicate if a person resides or conducts a business on the**
 7 **property.**

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

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

18 **(f) The city may transfer title to real property described in**
 19 **subsection (b) to its redevelopment commission at no cost to the**
 20 **commission for sale or grant under IC 36-7-14-22.1.**

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

22 SECTION 12. IC 36-1-11-3, AS AMENDED BY P.L.82-1995,
 23 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 1998]: Sec. 3. (a) This section does not apply to the disposal
 25 of real property under section 5, 5.5, or 8 of this chapter.

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

28 (1) the executive of the political subdivision or agency; or

29 (2) the fiscal body of the political subdivision or agency, if there
 30 is no executive.

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

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

37 (1) every sale of real property having an appraised value of fifty
 38 thousand dollars (\$50,000) or more;

1 (2) every lease of real property for which the total annual rental
2 payments will be twenty-five thousand dollars (\$25,000) or
3 more; and

4 (3) every transfer of real property under section 14 or 15 of this
5 chapter.

6 **(d) Notwithstanding subsection (c), the fiscal body of a city**
7 **having a population of more than one hundred ten thousand**
8 **(110,000) but less than one hundred twenty thousand (120,000)**
9 **must approve:**

10 (1) every sale of real property having an appraised value of
11 ten thousand dollars (\$10,000) or more;

12 (2) every lease of real property for which the total annual
13 rental payments will be five thousand dollars (\$5,000) or
14 more; and

15 (3) every transfer of real property under section 14 or 15 of
16 this chapter.

17 **(e) Notwithstanding subsection (c), the fiscal body of a city**
18 **having a population of more than thirty-three thousand eight**
19 **hundred fifty (33,850) but less than thirty-five thousand (35,000)**
20 **must approve:**

21 (1) every sale of real property having an appraised value of
22 ten thousand dollars (\$10,000) or more;

23 (2) every lease of real property for which the total annual
24 rental payments will be five thousand dollars (\$5,000) or
25 more; and

26 (3) every transfer of real property under section 14 or 15 of
27 this chapter.

28 SECTION 13. IC 36-7-23-1 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 1. As used in this
30 chapter, "authority" refers to a multiple ~~county~~ **jurisdiction**
31 **infrastructure** authority established ~~by~~ **under** this chapter.

32 SECTION 14. IC 36-7-23-3.7 IS ADDED TO THE INDIANA
33 CODE AS A NEW SECTION TO READ AS FOLLOWS
34 [EFFECTIVE JULY 1, 1998]: **Sec. 3.7. This chapter applies to all**
35 **units except townships.**

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

- 1 this chapter by:
- 2 (1) ordinance of the fiscal body of each ~~county~~ **unit** participating
- 3 in the authority; and
- 4 (2) **if a county is one (1) of the units participating in the**
- 5 **authority**, the order of the executive of ~~each that~~ county;
- 6 ~~participating in the authority.~~ **and**
- 7 (3) **an agreement among the participating units, executed by**
- 8 **the executive of each participating unit following the**
- 9 **approval of the legislative body of each of the participating**
- 10 **units.**
- 11 (b) The authority is a public body corporate and politic. The
- 12 authority is separate from the state, but the exercise by the authority of
- 13 its powers is an essential governmental function.
- 14 (c) An agreement to establish an authority must include:
- 15 (1) more than one (1) ~~county~~ **unit** as a participant; and
- 16 (2) a formula for distributing funds ~~from local taxes~~ contributed
- 17 by a ~~county or a municipality wholly or partially located in a~~
- 18 ~~county included in the agreement.~~ **the units participating in the**
- 19 **authority.**
- 20 (d) **An authority may add additional participating units at any**
- 21 **time by following the procedures set forth in subsection (a).**
- 22 (e) **A unit may participate in more than one (1) authority.**
- 23 SECTION 16. IC 36-7-23-5 IS AMENDED TO READ AS
- 24 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 5. The purpose of the
- 25 authority is to **promote cooperation among the units participating**
- 26 **in the authority in order to** assist the development of the ~~incorporated~~
- 27 ~~and unincorporated areas of each county~~ **units** included in the
- 28 agreement by doing the following:
- 29 (1) Utilizing private and public sector resources to address
- 30 development problems and opportunities.
- 31 (2) **Planning**, developing, rehabilitating, and otherwise
- 32 managing ~~regional infrastructures and other regional services.~~
- 33 **infrastructure located in the authority's jurisdiction.**
- 34 (3) Supplementing, but not supplanting, traditional local or state
- 35 responsibilities.
- 36 (4) Providing financial resources to local communities to address
- 37 their infrastructure needs.
- 38 (5) Providing revenue bonding capacity and resources for bond

1 retirement, or lease rental capacity and resources, that can be
 2 directed to development or recapitalization of ~~the regional~~
 3 infrastructure **located in the authority's jurisdiction.**

4 (6) Providing the means to develop revenue producing
 5 infrastructure ventures, where revenue can be rechanneled back
 6 into the overall infrastructure development effort.

7 (7) Providing an overall balanced infrastructure investment
 8 strategy that addresses important ~~regional~~ needs **of the**
 9 **participating units for capital projects.**

10 (8) Providing operating involvement appropriate to each
 11 infrastructure component.

12 (9) Providing for a continuing and stable source of public
 13 funding for ~~regional~~ infrastructure development **for**
 14 **participating units.**

15 (10) Providing the mechanism to address other regional services
 16 as determined to be appropriate by the board.

17 SECTION 17. IC 36-7-23-9 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 9. The powers of the
 19 authority are vested in a board of directors. The board is comprised of
 20 the following members:

21 (1) One (1) member appointed by the ~~county~~ executive of each
 22 ~~county~~: **unit participating in the authority.**

23 (2) One (1) member appointed by the ~~county~~ fiscal body of each
 24 ~~county~~: **unit participating in the authority.**

25 ~~(3) The executive director of the authority.~~

26 SECTION 18. IC 36-7-23-10 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 10. (a) A member
 28 appointed under section 9 of this chapter ~~by a county executive or~~
 29 ~~county fiscal body~~ must be a resident of the ~~county~~ **unit** whose officials
 30 or representatives make the appointment.

31 (b) A member appointed under section 9(1) or 9(2) of this chapter
 32 by a ~~county~~ **unit** executive or ~~county~~ **unit** fiscal body must be an
 33 elected official of the ~~county~~ **unit** whose officials or representatives
 34 make the appointment.

35 SECTION 19. IC 36-7-23-11 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 11. (a) A member of
 37 the board appointed under ~~section 9(1) through 9(2)~~ **section 9** of this
 38 chapter serves a term of four (4) years.

1 (b) The agreement establishing the authority under this chapter
2 must provide:

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

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

10 SECTION 20. IC 36-7-23-12 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 12. The **officials**
12 **responsible for** appointing ~~authority~~ **members of the board** shall fill
13 a vacancy on the board among the members appointed under ~~section~~
14 ~~9(1) through 9(3)~~ **section 9** of this chapter by appointment for the
15 unexpired term.

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

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

25 SECTION 22. IC 36-7-23-15 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 15. The members shall
27 elect:

- 28 (1) a ~~vice~~ chairman;
- 29 (2) a ~~secretary~~; **vice chairman**;
- 30 (3) **a secretary**; and
- 31 ~~(3)~~ (4) other officers determined to be necessary for the board to
32 function;

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

34 SECTION 23. IC 36-7-23-17 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 17. (a) A majority of
36 the members of the board constitutes a quorum for the transaction of
37 business. The affirmative vote of a majority of the board is necessary
38 for an action to be taken by the board.

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

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

6 SECTION 24. IC 36-7-23-32 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 32. (a) The board ~~shall~~
8 **may** appoint an executive director of the authority.

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

14 SECTION 25. IC 36-7-23-33 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 33. The executive
16 director shall:

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

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

21 ~~(3)~~ **(2)** maintain and be custodian of all books, documents, and
22 papers filed with the authority and the official seal of the
23 authority; and

24 ~~(4)~~ **(3)** perform other duties directed by the members to carry out
25 the purposes of this chapter.

26 SECTION 26. IC 36-7-23-52 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 52. (a) A resolution
28 establishing just and reasonable fees, rates, and charges for the use of
29 infrastructures under this chapter may be ~~adopted~~ **adopted** by the board
30 after a public hearing. Notice of the hearing must be published ~~and~~
31 ~~posted, in each county that is a member of the authority;~~ **one (1) time,**
32 **at least ten (10) days before the hearing, in one (1) newspaper**
33 **published in each county in which a participating unit is located** in
34 accordance with IC 5-3-1. The notice must provide a summary of the
35 resolution.

36 (b) Fees, rates, and charges adopted by the authority for a
37 particular infrastructure shall comply with statutes authorizing units to
38 adopt fees, rates, and charges for that particular type of infrastructure

1 or, if there is no statute authorizing units to adopt fees, rates, and
2 charges for that particular type of infrastructure, the fees, rates, and
3 charges must comply with IC 36-1-3.

4 SECTION 27. IC 36-7-23-53 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 53. (a) An authority
6 may enter into a lease of any infrastructure that could be financed with
7 the proceeds of bonds issued under this chapter with a lessor for a term
8 not to exceed fifty (50) years, and the lease may provide for payments
9 to be made by the authority from any revenues of the authority.

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

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

23 (d) The authority may:
24 (1) pledge revenues to make payments under the lease; and
25 (2) establish a special fund to make the payments.

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

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

33 SECTION 28. IC 36-7-23-58 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 58. The infrastructure,
35 or any part of ~~them~~, **the infrastructure**, to be financed under this
36 chapter, may be financed by any one (1) or more or any combination of
37 one (1) or more of the methods provided for in this chapter. The
38 authority may pledge any money or mortgage or pledge property

1 available to it under this chapter as set forth in IC 5-1-14-4 and any
2 county member may pledge any money or mortgage or pledge property
3 available to it to the authority as set forth in the agreement creating the
4 authority. Any such pledge or mortgage by a county member to the
5 authority shall be governed by and binding under IC 5-1-14-4.

6 SECTION 29. [EFFECTIVE UPON PASSAGE] (a) This
7 SECTION applies to the following:

8 (1) A city having a population of more than one hundred ten
9 thousand (110,000) but less than one hundred twenty
10 thousand (120,000).

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

14 (b) Within fifteen (15) days after a list of delinquent properties
15 prepared under IC 6-1.1-24-1 is certified to the county auditor, the
16 county auditor shall notify the mayor that the list is available for
17 inspection. Upon notification, the mayor or the mayor's designee
18 may examine the list to determine whether there are properties on
19 the list that meet the following criteria for sale at a tax sale
20 conducted by the city:

21 (1) The property is within the city's jurisdiction.

22 (2) At least six (6) installments of property taxes are
23 delinquent.

24 (c) If the mayor or the mayor's designee determines that any
25 of the properties included on the list are eligible for sale by the city,
26 the mayor or the mayor's designee shall notify the county auditor
27 that the city wishes to hold a tax sale of certain properties on the
28 list. The mayor or the mayor's designee shall specifically identify
29 the parcels or tracts that the city wishes to include in a tax sale.
30 The mayor or the mayor's designee shall provide the notice
31 required by this subsection to the county auditor within fifteen (15)
32 days after the county auditor notifies the mayor that the tax sale
33 list is available for inspection.

34 (d) Upon receiving notification that the city wishes to hold an
35 immediate tax sale, the county auditor shall authorize the city to
36 hold a tax sale. The county auditor shall also remove the parcels or
37 tracts specified by the city from the list prepared under
38 IC 6-1.1-24-1.

1 (e) The city shall place on a tax sale list the parcels or tracts
2 that will be included in the city's tax sale. A tax sale conducted by
3 the city under this SECTION is in addition to a tax sale conducted
4 under IC 6-1.1-24-5.6, as added by this act. Except as otherwise
5 provided, the city has the same rights and obligations as the county
6 under IC 6-1.1-24 and IC 6-1.1-25 with respect to the tax sale.

7 (f) A tax sale held under this SECTION must take place on or
8 after August 1, 1998, and before November 1, 1998.

9 (g) The city may request that the county auditor issue to the
10 city a tax sale certificate for property that is offered for sale under
11 this SECTION but does not receive an amount that is at least equal
12 to the minimum sale price required under IC 6-1.1-24-5(e).

13 (h) Upon receiving a request under subsection (g), the county
14 auditor shall immediately issue to the city the requested tax sale
15 certificate. The tax sale certificate entitles the city to a lien on the
16 property in the amount of the minimum sale price. In addition, the
17 city acquires the same rights as a purchaser, including the right to
18 sell, assign, or transfer the tax sale certificate to another. However,
19 the city shall hold the property for the taxing units described in
20 subsection (i).

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

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

32 (k) If a certificate of sale is issued to the city under this
33 SECTION and the real property is not redeemed within one
34 hundred twenty (120) days after the city acquires a lien on the
35 property under this SECTION, the county auditor shall, upon
36 receipt of the certificate and subject to the limitations contained in
37 IC 6-1.1-25, execute and deliver a deed for the property to the city.
38 The county auditor shall execute deeds issued under this SECTION

1 in the name of the state under the county auditor's name and seal.
2 If a certificate of sale is lost before the execution of a deed, the
3 county auditor shall, subject to the limitations in IC 6-1.1-25,
4 execute and deliver a deed if the court has made a finding that the
5 certificate did exist.

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

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

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

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

30 (o) The city may not conduct more than one (1) tax sale under
31 this SECTION.

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

- 36 (1) First, to the cost of the sale, including the cost of
37 maintenance, preservation, and administration of the
38 property before sale, including prior unpaid costs of sales,

1 preparation of the property for sale, advertising, and
2 appraisal.

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

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

7 (q) The mayor or the mayor's designee shall file a report with
8 the county board of commissioners before December 31, 1999. The
9 report must:

10 (1) list the real property acquired under this SECTION; and

11 (2) indicate if a person resides or conducts a business on the
12 property.

13 (r) The city shall mail a notice by certified mail before
14 December 31, 1999, to each person listed in subsection (q)(2). The
15 notice must state that the city has acquired title to the tract the
16 person occupies.

17 (s) If the city determines under IC 36-1-11 that real property
18 acquired under this SECTION must be retained by the city, the
19 city may not dispose of the real property. The mayor or the
20 mayor's designee may repair, maintain, equip, alter, and construct
21 buildings upon the real property retained under this section in the
22 same manner prescribed for other city buildings.

23 (t) This SECTION expires January 1, 2000.

24 SECTION 30. THE FOLLOWING ARE REPEALED
25 [EFFECTIVE JULY 1, 1998]: IC 36-7-23-3; IC 36-7-23-14."

26 Renumber all SECTIONS consecutively.

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

and when so amended that said bill do pass.

Representative Stevenson