



February 20, 2001

HOUSE BILL No. 1671

DIGEST OF HB 1671 (Updated February 15, 2001 10:47 AM - DI 103)

Citations Affected: IC 8-22.

Synopsis: Commerce powers of airport authorities. Allows the board of an airport authority to enter into agreements and joint contracts with other boards to promote and encourage aviation related trade or commerce.

Effective: July 1, 2001.

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January 17, 2001, read first time and referred to Committee on Commerce, Economic Development and Technology.
February 19, 2001, reported — Do Pass.

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HB 1671—LS 6135/DI 94+



February 20, 2001

First Regular Session 112th General Assembly (2001)

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 *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

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HOUSE BILL No. 1671

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

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

- 1 SECTION 1. IC 8-22-3-11, AS AMENDED BY P.L.29-1999,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2001]: Sec. 11. The board may do all acts necessary or
4 reasonably incident to carrying out the purposes of this chapter,
5 including the following:
6 (1) As a municipal corporation, to sue and be sued in its own
7 name.
8 (2) To have all the powers and duties conferred by statute upon
9 boards of aviation commissioners. The board supersedes all
10 boards of aviation commissioners within the district. The board
11 has exclusive jurisdiction within the district.
12 (3) To protect all property owned or managed by the board.
13 (4) To adopt an annual budget and levy taxes in accordance with
14 this chapter.
15 (A) The board may not levy taxes on property in excess of the
16 following rate schedule, except as provided in sections 17 and
17 25 of this chapter:

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1	Total Assessed	Rate Per \$100 Of
2	Property Valuation	Assessed Valuation
3	\$300 million or less	\$0.10
4	More than \$300 million	
5	but not more than \$450 million	\$0.0833
6	More than \$450 million	
7	but not more than \$600 million	\$0.0667
8	More than \$600 million	
9	but not more than \$900 million	\$0.05
10	More than \$900 million	\$0.0333
11	(B) Clause (A) does not apply to an authority that was	
12	established under IC 19-6-2 or IC 19-6-3 (before their repeal	
13	on April 1, 1980).	
14	(C) The board of an authority that was established under	
15	IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes	
16	on property not in excess of six and sixty-seven hundredths	
17	cents (\$0.0667) on each one hundred dollars (\$100) of	
18	assessed valuation.	
19	(5) To incur indebtedness in the name of the authority in	
20	accordance with this chapter.	
21	(6) To adopt administrative procedures, rules, and regulations.	
22	(7) To acquire property, real, personal, or mixed, by deed,	
23	purchase, lease, condemnation, or otherwise and dispose of it for	
24	use or in connection with or for administrative purposes of the	
25	airport; to receive gifts, donations, bequests, and public trusts and	
26	to agree to conditions and terms accompanying them and to bind	
27	the authority to carry them out; to receive and administer federal	
28	or state aid; and to erect buildings or structures that may be	
29	needed to administer and carry out this chapter.	
30	(8) To determine matters of policy regarding internal organization	
31	and operating procedures not specifically provided for otherwise.	
32	(9) To adopt a schedule of reasonable charges and to collect them	
33	from all users of facilities and services within the district.	
34	(10) To purchase supplies, materials, and equipment to carry out	
35	the duties and functions of the board in accordance with	
36	procedures adopted by the board.	
37	(11) To employ personnel that are necessary to carry out the	
38	duties, functions, and powers of the board.	
39	(12) To establish an employee pension plan. The board may, upon	
40	due investigation, authorize and begin a fair and reasonable	
41	pension or retirement plan and program for personnel, the cost to	
42	be borne by either the authority or by the employee or by both, as	

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- 1 the board determines. If the authority was established under
2 IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must
3 be borne by the authority, and ordinances creating the plan or
4 making changes in it must be approved by the mayor of the city.
5 The plan may be administered and funded by a trust fund or by
6 insurance purchased from an insurance company licensed to do
7 business in Indiana or by a combination of them. The board may
8 also include in the plan provisions for life insurance, disability
9 insurance, or both.
- 10 (13) To sell surplus real or personal property in accordance with
11 law.
- 12 (14) To adopt and use a seal.
- 13 (15) To acquire, establish, construct, improve, equip, maintain,
14 control, lease, and regulate municipal airports, landing fields, and
15 other air navigation facilities, either inside or outside the district;
16 to acquire by lease (with or without the option to purchase)
17 airports, landing fields, or navigation facilities, and any structures,
18 equipment, or related improvements; and to erect, install,
19 construct, and maintain at the airport or airports facilities for the
20 servicing of aircraft and for the comfort and accommodation of air
21 travelers and the public. The Indiana department of transportation
22 must grant its approval before land may be purchased for the
23 establishment of an airport or landing field and before an airport
24 or landing field may be established.
- 25 (16) To fix and determine exclusively the uses to which the
26 airport lands may be put. All uses must be necessary or desirable
27 to the airport or the aviation industry and must be compatible with
28 the uses of the surrounding lands as far as practicable.
- 29 (17) To elect a secretary from its membership, or to employ a
30 secretary, an airport director, superintendents, managers, a
31 treasurer, engineers, surveyors, attorneys, clerks, guards,
32 mechanics, laborers, and all employees the board considers
33 expedient, and to prescribe and assign their respective duties and
34 authorities and to fix and regulate the compensation to be paid to
35 the persons employed by it in accordance with the authority's
36 appropriations. All employees shall be selected irrespective of
37 their political affiliations.
- 38 (18) To make all rules and regulations, consistent with laws
39 regarding air commerce, for the management and control of its
40 airports, landing fields, air navigation facilities, and other
41 property under its control.
- 42 (19) To acquire by lease the use of an airport or landing field for

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1 aircraft pending the acquisition and improvement of an airport or
2 landing field.

3 (20) To manage and operate airports, landing fields, and other air
4 navigation facilities acquired or maintained by an authority; to
5 lease all or part of an airport, landing field, or any buildings or
6 other structures, and to fix, charge, and collect rentals, tolls, fees,
7 and charges to be paid for the use of the whole or a part of the
8 airports, landing fields, or other air navigation facilities by aircraft
9 landing there and for the servicing of the aircraft; to construct
10 public recreational facilities that will not interfere with air
11 operational facilities; to fix, charge, and collect fees for public
12 admissions and privileges; and to make contracts for the operation
13 and management of the airports, landing fields, and other air
14 navigation facilities; and to provide for the use, management, and
15 operation of the air navigation facilities through lessees, its own
16 employees, or otherwise. Contracts or leases for the maintenance,
17 operation, or use of the airport or any part of it may be made for
18 a term not exceeding fifteen (15) years and may be extended for
19 similar terms of years, except that any parcels of the land of the
20 airport may be leased for any use connected with the operation
21 and convenience of the airport for an initial term not exceeding
22 forty (40) years and may be extended for a period not to exceed
23 ten (10) years. If a person whose character, experience, and
24 financial responsibility has been determined satisfactory by the
25 board offers to erect a permanent structure that facilitates and is
26 consistent with the operation, use, and purpose of the airport on
27 land belonging to the airport, a lease may be entered into for a
28 period not to exceed ninety-nine (99) years. However, the board
29 must pass an ordinance to enter into such a lease. The board may
30 not grant an exclusive right for the use of a landing area under its
31 jurisdiction. However, this does not prevent the making of leases
32 in accordance with other provisions of this chapter. All contracts
33 and leases are subject to restrictions and conditions that the board
34 prescribes. The authority may lease its property and facilities for
35 any commercial or industrial use it considers necessary and
36 proper, including the use of providing airport motel facilities.

37 (21) To sell machinery, equipment, or material that is not required
38 for aviation purposes. The proceeds shall be deposited with the
39 treasurer of the authority.

40 (22) To negotiate and execute contracts for sale or purchase,
41 lease, personal services, materials, supplies, equipment, or any
42 other transaction or business relative to an airport under the

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1 board's control and operation. However, whenever the board
2 determines to sell part or all of aviation lands, buildings, or
3 improvements owned by the authority, the sale must be in
4 accordance with law.

5 (23) To vacate all or parts of roads, highways, streets, or alleys,
6 whether inside or outside the district, in the manner provided by
7 statute.

8 (24) To annex lands to itself if the lands are owned by the
9 authority or are streets, roads, or other public ways.

10 (25) To approve any state, county, city, or other highway, road,
11 street or other public way, railroad, power line, or other
12 right-of-way to be laid out or opened across an airport or in such
13 proximity as to affect the safe operation of the airport.

14 (26) To construct drainage and sanitary sewers with connections
15 and outlets as are necessary for the proper drainage and
16 maintenance of an airport or landing field acquired or maintained
17 under this chapter, including the necessary buildings and
18 improvements and for the public use of them in the same manner
19 that the authority may construct sewers and drains. However, with
20 respect to the construction of drains and sanitary sewers beyond
21 the boundaries of the airport or landing field, the board shall
22 proceed in the same manner as private owners of property and
23 may institute proceedings and negotiate with the departments,
24 bodies, and officers of an eligible entity to secure the proper
25 orders and approvals; and to order a public utility or public
26 service corporation or other person to remove or to install in
27 underground conduits wires, cables, and power lines passing
28 through or over the airport or landing field or along the borders or
29 within a reasonable distance that may be determined to be
30 necessary for the safety of operations, upon payment to the utility
31 or other person of due compensation for the expense of the
32 removal or reinstallation. The board must consent before any
33 franchise may be granted by state or local authorities for the
34 construction of or maintenance of railway, telephone, telegraph,
35 electric power, pipe, or conduit line upon, over, or through land
36 under the control of the board or within a reasonable distance of
37 land that is necessary for the safety of operation. The board must
38 also consent before overhead electric power lines carrying a
39 voltage of more than four thousand four hundred (4,400) volts and
40 having poles, standards, or supports over thirty (30) feet in height
41 within one-half (1/2) mile of a landing area acquired or
42 maintained under this chapter may be installed.

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- 1 (27) To contract with any other state agency or instrumentality or
- 2 any political subdivision for the rendition of services, the rental
- 3 or use of equipment or facilities, or the joint purchase and use of
- 4 equipment or facilities that are necessary for the operation,
- 5 maintenance, or construction of an airport operated under this
- 6 chapter.
- 7 (28) To provide air transportation in furtherance of the duties and
- 8 responsibilities of the board.
- 9 (29) To promote or encourage aviation related trade or commerce
- 10 at the airports that it operates. **The board may enter into**
- 11 **agreements and joint contracts with other boards to promote**
- 12 **and encourage aviation related trade or commerce.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Economic Development and Technology, to which was referred House Bill 1671, 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.

FRY, Chair

Committee Vote: yeas 12, nays 0.

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