SENATE BILL No. 248

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-12-6-17.

Synopsis: University bonding authority for energy savings. Permits state universities and colleges to issue bonds for up to $20,000,000 per campus for qualified energy savings projects. (Current law limits each university or college to $10,000,000 for all campuses of the university or college.)

Effective: July 1, 2003.

Alting

January 9, 2003, read first time and referred to Committee on Finance.

C o p y

Introduced

First Regular Session 113th General Assembly (2003)

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 2002 Regular or Special Session of the General Assembly.

C o p y

SENATE BILL No. 248

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

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

SECTION 1. IC 20-12-6-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 17. (a) Except for notes issued under section 8.5 of this chapter and except as provided in subsections (d) and (e), no bonds shall be issued for a project by the corporations under this chapter unless the general assembly:

(1) has specifically approved the project to be financed through the issuance and sale of these bonds; and

(2) has provided the amount of bonds which may be issued to fund the costs of acquiring, constructing, remodeling, renovating, furnishing, or equipping the specific project approved.

(b) In addition to and in connection with the amount of bonds that may be issued by a corporation for a specific project as provided in subsection (a)(2), the corporations may also issue bonds in amounts necessary to provide funds for debt service reserves, bond or reserve insurance, and other costs without additional approval by the general assembly, if these costs are incidental to the issuance of bonds for the project.

(c) The bonds, regardless of when the amount of bonds was approved by the general assembly, may be issued in an amount not exceeding:

(1) the amount of bonds approved by the general assembly together with the amounts described in subsection (b); plus

(2) the amount of the discount below par value, if bonds are sold at a price below par value under IC 4-1-5-1.

(d) Bonds may be issued by a corporation without the approval of the general assembly if, after the issuance, the total amount of outstanding bonds issued by the corporation without approval will not exceed one million dollars ($1,000,000). However, the bonds must be approved as provided in section 16 of this chapter.

(e) Bonds may be issued by a corporation without the approval of the general assembly to finance a qualified energy savings project (as defined in IC 20-12-5.5) if **the following conditions are met:**

(1) Annual operating savings to a corporation arising from the implementation of a qualified energy savings project are reasonably expected to be at least equal to annual debt service requirements on bonds issued for this purpose in each fiscal year. ~~and~~

~~(2) The amount of bonds that may be issued by each corporation, other than refunding bonds and exclusive of costs described in subsections (b) and (c), does not exceed ten million dollars ($10,000,000).~~

(2) After issuance, the amount of outstanding bonds (exclusive of costs described in subsections (b) and (c)) issued by a corporation under this subsection with respect to any one (1) of the corporation's campuses does not exceed twenty million dollars ($20,000,000).

C o p y