

SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1478 be amended to read as follows:

- 1 Page 4, between lines 1 and 2, begin a new paragraph and insert:
2 "SECTION 5. IC 4-10-20 IS ADDED TO THE INDIANA CODE
3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]:
5 **Chapter 20. State Fiscal Year Spending Limit**
6 **Sec. 1. The limits on state expenditures set forth in this chapter**
7 **are in addition to the limits set forth in IC 4-10-21. Nothing in this**
8 **chapter may be construed to allow state expenditures to exceed the**
9 **limits set forth in IC 4-10-21.**
10 **Sec. 2. (a) This chapter does not apply to the extent that**
11 **payments for pensions, including accrued unfunded liability, and**
12 **final court judgments on which the state is obligated to pay exceed**
13 **the spending limits imposed by this chapter.**
14 **(b) This chapter does not apply to the extent that money**
15 **expended from a reserve fund exceeds the spending limits imposed**
16 **by this chapter if the initial transfer of the money into the reserve**
17 **fund was included in the fiscal year spending of a previous state**
18 **fiscal year.**
19 **Sec. 3. As used in this chapter, "calendar quarter" means the**
20 **period of three (3) consecutive calendar months ending on March**
21 **31, June 30, September 30, or December 31.**
22 **Sec. 4. As used in this chapter, "fiscal year spending" means all**
23 **state governmental expenditures and reserve increases in a state**
24 **fiscal year, except expenditures from the following:**
25 **(1) Money deposited into the property tax elimination fund**
26 **established by IC 4-10-22-4.**
27 **(2) Money received as gifts.**
28 **(3) Federal funds.**
29 **(4) Money collected for another government.**
30 **(5) Pension contributions by employees and pension fund**
31 **earnings.**

1 **(6) Money received from damage awards.**

2 **(7) Money received from property sales.**

3 **(8) Money received from settlement awards.**

4 **(9) State dedicated funds other than the property tax**
 5 **replacement fund established by IC 6-1.1-21-1 (before**
 6 **January 1, 2008).**

7 **Sec. 5. As used in this chapter, "GDP deflator" refers to the**
 8 **United States Department of Commerce, Bureau of Economic**
 9 **Analysis, Price Indexes for Gross Domestic Product, National**
 10 **Income and Product Accounts Table 1.1.4 or its successor index or**
 11 **table.**

12 **Sec. 6. As used in this chapter, "inflation" means, with respect**
 13 **to any fiscal year, the lesser of:**

14 **(1) the percentage change between:**

15 **(A) the quotient of:**

16 **(i) the sum of the GDP deflator for the four (4) calendar**
 17 **quarters ending on March 31 of the calendar year before**
 18 **the adoption of the state biennial budget; divided by**

19 **(ii) four (4); and**

20 **(B) the quotient of:**

21 **(i) the sum of the GDP deflator for the four (4) calendar**
 22 **quarters ending on March 31 of the calendar year before**
 23 **the calendar year described in clause (A); divided by**

24 **(ii) four (4); or**

25 **(2) six percent (6%).**

26 **Sec. 7. As used in this chapter, "maximum annual percentage**
 27 **change in fiscal year spending" means the sum of the following:**

28 **(1) Inflation with respect to the fiscal year in question, as**
 29 **calculated under section 6 of this chapter.**

30 **(2) The annual percentage rate of change in population.**

31 **Sec. 8. As used in this chapter, "population" means:**

32 **(1) the number of residents of the state as estimated by the**
 33 **United States Bureau of the Census each year; or**

34 **(2) the number of residents of the state as counted by the**
 35 **United States Bureau of the Census in a decennial census.**

36 **Sec. 9. As used in this chapter, "state fiscal year" means a**
 37 **twelve (12) month period beginning on July 1 and ending on June**
 38 **30.**

39 **Sec. 10. Before July 1, 2007, and before July 1 of each**
 40 **even-numbered year thereafter, the department of state revenue**
 41 **shall:**

42 **(1) certify to the governor and the legislative council:**

43 **(A) the inflation amount calculated under section 6 of this**
 44 **chapter; and**

45 **(B) the annual percentage rate of change in population as**
 46 **reported in the most recent population estimate report of**
 47 **the United States Bureau of Census; and**

48 **(2) provide the information certified under subdivision (1) to**

1 the general public.

2 **Sec. 11. (a)** This subsection applies to state fiscal years beginning
3 July 1, 2007, and beginning July 1 in each odd-numbered year
4 thereafter. The state may not increase fiscal year spending more
5 than the maximum annual percentage change in fiscal year
6 spending applicable to that state fiscal year.

7 **(b)** This subsection applies to state fiscal years beginning July
8 1, 2008, and beginning July 1 in each even-numbered year
9 thereafter. State fiscal year spending may not exceed the amount
10 determined under the following STEPS:

11 **STEP ONE:** Determine the amount of state fiscal year
12 spending permitted under subsection (a) for the previous state
13 fiscal year.

14 **STEP TWO:** Multiply the STEP ONE amount by the
15 maximum annual percentage change in fiscal year spending
16 applicable to the previous state fiscal year.

17 **STEP THREE:** Add the STEP TWO amount to the STEP
18 ONE amount.

19 **(c)** If the general assembly considers it necessary to spend more
20 money than permitted by the spending limit imposed by this
21 chapter, the general assembly may do so if the general assembly
22 adopts a concurrent resolution approved by at least two-thirds
23 (2/3) of the members of both houses of the general assembly. The
24 resolution must:

25 (1) state that the general assembly desires to budget and
26 spend more money than permitted by this chapter; and

27 (2) set forth the reasons necessitating the excess spending.

28 If a resolution authorizing spending in excess of the limit imposed
29 by this chapter is adopted under this subsection, an action may not
30 be initiated under section 12 of this chapter concerning excess
31 spending if the excess spending results from the adoption of the
32 resolution and the reasons for the excess spending are set forth in
33 the resolution.

34 **Sec. 12. (a)** This chapter may be enforced in a private individual
35 civil action or a class action suit. A plaintiff that prevails in an
36 action initiated under this section is entitled to costs and reasonable
37 attorney's fees. The state may recover costs and reasonable
38 attorney's fees in an action initiated under this section only if the
39 action is ruled frivolous.

40 **(b)** Revenue that is determined in an action initiated under this
41 section to have been collected illegally, kept illegally, or spent
42 illegally during the four (4) state fiscal years preceding the date on
43 which a suit is filed under this section shall be deposited in the
44 property tax elimination fund established by IC 4-10-22-4.

45 SECTION 6. IC 4-10-21-0.5 IS ADDED TO THE INDIANA CODE
46 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
47 UPON PASSAGE]: **Sec. 0.5.** The limits on state expenditures set
48 forth in this chapter are in addition to the limits set forth in

1 **IC 4-10-20. Nothing in this chapter may be construed to allow state**
 2 **expenditures to exceed the limits set forth in IC 4-10-20.**

3 SECTION 7. IC 4-10-22 IS ADDED TO THE INDIANA CODE AS
 4 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
 5 PASSAGE]:

6 **Chapter 22. State Combined Reserves Distribution**

7 **Sec. 1. As used in this chapter, "fund" refers to the property tax**
 8 **elimination fund established under section 4 of this chapter.**

9 **Sec. 2. As used in this chapter, "state combined reserves" means**
 10 **the sum of the balance in the following:**

11 (1) **The counter-cyclical revenue and economic stabilization**
 12 **fund established under IC 4-10-18.**

13 (2) **The Medicaid contingency and reserve account established**
 14 **under IC 4-12-1-15.5.**

15 (3) **The tuition reserve and the state general fund reserve as**
 16 **determined by the budget agency under IC 4-12-1-12.**

17 **Sec. 3. As used in this chapter, "state fiscal year" means a**
 18 **twelve (12) month period beginning on July 1 and ending on June**
 19 **30 in the immediately following fiscal year.**

20 **Sec. 4. The property tax elimination fund is established. The**
 21 **fund shall be administered by the treasurer of state. The fund**
 22 **consists of transfers made under section 9 of this chapter. The**
 23 **money in the fund may only be used for the following purposes:**

24 (1) **To replace property taxes if a state constitutional**
 25 **amendment to eliminate or repeal property taxes is ratified.**

26 (2) **To augment the state combined reserves as provided in**
 27 **section 9 of this chapter.**

28 **Sec. 5. The expenses of administering the fund shall be paid**
 29 **from money in the fund.**

30 **Sec. 6. The treasurer of state shall invest money in the fund not**
 31 **currently needed to meet the obligations of the fund in the same**
 32 **manner as other public money may be invested. Interest that**
 33 **accrues from these investments shall be deposited in the fund.**

34 **Sec. 7. Money in the fund at the end of a state fiscal year does**
 35 **not revert to the state general fund.**

36 **Sec. 8. On June 30 of each state fiscal year, the budget agency**
 37 **shall determine a fraction (expressed as a percentage) for which:**

38 (1) **the numerator is the balance of the state combined**
 39 **reserves; and**

40 (2) **the denominator is the sum of the total revenue deposited**
 41 **in the state general fund and the property tax replacement**
 42 **fund for the state fiscal year.**

43 **The budget agency shall forward this percentage to the auditor.**

44 **Sec. 9. If the percentage determined in section 8 of this chapter:**

45 (1) **is greater than seven percent (7%), the auditor shall**
 46 **transfer an amount equal to the difference between the**
 47 **percentage determined in section 8 of this chapter and seven**
 48 **percent (7%) from the state combined reserves to the**

1 **property tax elimination fund; and**
 2 **(2) is less than two percent (2%), the auditor shall transfer an**
 3 **amount equal to the difference between two percent (2%) and**
 4 **the percentage determined in section 8 of this chapter from**
 5 **the property tax elimination fund to the state combined**
 6 **reserves.**

7 SECTION 8. IC 5-1-16-42 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 42. (a) When the
 9 authority, the board of trustees or board of managers of the hospital, the
 10 board of commissioners of the county, and a majority of the county
 11 council have agreed upon the terms and conditions of any lease
 12 proposed to be entered into under section 38 or 39 of this chapter, and
 13 before the final execution of the lease, the county auditor shall give
 14 notice by publication of a public hearing to be held in the county by the
 15 board of commissioners. The hearing shall take place on a day not
 16 earlier than ten (10) days after the publication of the notice. The notice
 17 of the hearing shall be published one (1) time in a newspaper of general
 18 circulation printed in the English language and published in the county.
 19 The notice shall do the following:

- 20 (1) Name the day, place, and hour of the hearing.
 21 (2) Set forth a brief summary of the principal terms of the lease
 22 agreed upon, including the character and location of the property
 23 to be leased, the lease rental to be paid, and the number of years
 24 the contract is to be in effect.
 25 (3) State a location where the proposed lease, drawings, plans,
 26 specifications, and estimates may be examined.

27 The proposed lease and the drawings, plans, specifications, and
 28 estimates of construction cost for the building shall be open to
 29 inspection by the public during the ten (10) day period and at the
 30 hearing. All interested persons shall have a right to be heard at the
 31 hearing on the necessity for the execution of the lease and whether the
 32 lease rental under the lease is fair and reasonable. The hearing may be
 33 adjourned to a later date with the place of the hearing fixed prior to
 34 adjournment. Following the hearing, the board of commissioners may
 35 either authorize the execution of the lease as originally agreed upon or
 36 may make modifications that are agreed upon by the authority, the
 37 board of trustees or board of managers of the hospital, and the county
 38 council. The authorization shall be by an order that is entered in the
 39 official records of the board of commissioners. The lease contract shall
 40 be executed on behalf of the county by the board of commissioners.

41 (b) If the execution of the lease as originally agreed upon or as
 42 modified by agreement is authorized, notice of the signing of the lease
 43 shall be given on behalf of the county by publication one (1) time in a
 44 newspaper of general circulation printed in the English language and
 45 published in the county. Except as provided in subsection (d), ten (10)
 46 or more taxpayers in the county whose tax rate will be affected by the
 47 proposed lease and who may be of the opinion that no necessity exists

1 for the execution of the lease or that the lease rental under the lease is
 2 not fair and reasonable may file a petition in the office of the county
 3 auditor within thirty (30) days after publication of notice of the
 4 execution of the lease that sets forth the taxpayers' objections and facts
 5 supporting those objections. Upon the filing of a petition, the county
 6 auditor shall immediately certify a copy of the petition together with
 7 such other data as may be necessary in order to present the questions
 8 involved to the department of local government finance. Upon receipt
 9 of the certified petition and information, the department of local
 10 government finance shall fix a time and place in the affected county for
 11 the hearing of the matter that is not less than five (5) or more than
 12 fifteen (15) days after receipt. Notice of the hearing shall be given by
 13 the department of local government finance to the board of county
 14 commissioners and to the first ten (10) taxpayer petitioners upon the
 15 petition by certified mail sent to the addresses listed on the petition at
 16 least five (5) days before the date of the hearing.

17 (c) No action to contest the validity of the lease or to enjoin the
 18 performance of any of the terms and conditions of the lease shall be
 19 instituted at any time later than thirty (30) days after publication of
 20 notice of the execution of the lease, or if an appeal has been taken to
 21 the department of local government finance, then within thirty (30)
 22 days after the decision of the department.

23 (d) The authority for taxpayers to object to a proposed lease under
 24 subsection (b) does not apply if the authority complies with the
 25 procedures for the issuance of bonds and other evidences of
 26 indebtedness described in ~~IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2.~~
 27 **IC 6-1.1-20."**

28 Page 19, delete lines 41 through 42, begin a new line block indented
 29 and insert:

30 "(4) To pay the principal or interest upon an obligation issued in
 31 the manner provided in:

32 (A) IC 6-1.1-20-3 (before its repeal); ~~or~~
 33 (B) IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2; ~~or~~
 34 (C) **IC 6-1.1-20-3.5 through IC 6-1.1-20-3.6 (in the case of**
 35 **a preliminary determination made after June 30, 2007, to**
 36 **issue bonds or enter into a lease with respect to a**
 37 **controlled project that will cost a political subdivision**
 38 **more than the lesser of:**

39 (i) **two percent (2%) of the political subdivision's total**
 40 **gross certified assessed value; or**
 41 (ii) **ten million dollars (\$10,000,000))."**

42 Page 20, delete line 1.

43 Page 26, line 14, strike "IC 6-1.1-20-3.1(2)," and insert "**IC**
 44 **6-1.1-20-3.1(b)(2) or IC 6-1.1-20-3.5(b)(2), whichever is**
 45 **applicable,"**

46 Page 39, between lines 31 and 32, begin a new paragraph and insert:
 47 "SECTION 33. IC 6-1.1-20-1.8 IS ADDED TO THE INDIANA

1 CODE AS A NEW SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE UPON PASSAGE]: **Sec. 1.8. As used in this chapter,**
 3 **"county voter registration office" means the following:**

4 (1) **A board of registration established under IC 3-7-12 or by**
 5 **a county executive acting under IC 3-7-12.**

6 (2) **A board of elections and registration established under**
 7 **IC 3-6-5.2 or IC 3-6-5.4.**

8 (3) **The office of the circuit court clerk of a county in which a**
 9 **board has not been established as described in subdivision (1)**
 10 **or (2).**

11 SECTION 34. IC 6-1.1-20-1.9 IS ADDED TO THE INDIANA
 12 CODE AS A NEW SECTION TO READ AS FOLLOWS
 13 [EFFECTIVE UPON PASSAGE]: **Sec. 1.9. As used in this chapter,**
 14 **"registered voter" means the following:**

15 (1) **In the case of a petition under section 3.1 of this chapter to**
 16 **initiate a petition and remonstrance process, an individual**
 17 **who is registered to vote in the political subdivision on the**
 18 **date the proper officers of the political subdivision publish**
 19 **notice under section 3.1(2) of this chapter of a preliminary**
 20 **determination by the political subdivision to issue bonds or**
 21 **enter into a lease.**

22 (2) **In the case of:**

23 (A) **a petition under section 3.2 of this chapter in favor of**
 24 **the proposed debt service or lease payments; or**

25 (B) **a remonstrance under section 3.2 of this chapter**
 26 **against the proposed debt service or lease payments;**

27 **an individual who is registered to vote in the political**
 28 **subdivision on the date that is thirty (30) days after the notice**
 29 **of the applicability of the petition and remonstrance process**
 30 **is published under section 3.2(1) of this chapter.**

31 SECTION 35. IC 6-1.1-20-3.1, AS AMENDED BY P.L.2-2006,
 32 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2007]: **Sec. 3.1. (a) This section applies only to a controlled**
 34 **project that is not subject to section 3.5 of this chapter.**

35 (b) **A political subdivision may not impose property taxes to pay**
 36 **debt service or lease rentals without completing the following**
 37 **procedures:**

38 (1) **The proper officers of a political subdivision shall:**

39 (A) **publish notice in accordance with IC 5-3-1; and**

40 (B) **send notice by first class mail to any organization that**
 41 **delivers to the officers, before January 1 of that year, an annual**
 42 **written request for such notices;**

43 **of any meeting to consider adoption of a resolution or an**
 44 **ordinance making a preliminary determination to issue bonds or**
 45 **enter into a lease and shall conduct a public hearing on a**
 46 **preliminary determination before adoption of the resolution or**
 47 **ordinance.**

- 1 (2) When the proper officers of a political subdivision make a
 2 preliminary determination to issue bonds or enter into a lease, the
 3 officers shall give notice of the preliminary determination by:
 4 (A) publication in accordance with IC 5-3-1; and
 5 (B) first class mail to the organizations described in
 6 subdivision (1)(B).
- 7 (3) A notice under subdivision (2) of the preliminary
 8 determination of the political subdivision to issue bonds or enter
 9 into a lease must include the following information:
 10 (A) The maximum term of the bonds or lease.
 11 (B) The maximum principal amount of the bonds or the
 12 maximum lease rental for the lease.
 13 (C) The estimated interest rates that will be paid and the total
 14 interest costs associated with the bonds or lease.
 15 (D) The purpose of the bonds or lease.
 16 (E) A statement that any owners of real property within the
 17 political subdivision who want to initiate a petition and
 18 remonstrance process against the proposed debt service or
 19 lease payments must file a petition that complies with
 20 subdivisions (4) and (5) not later than thirty (30) days after
 21 publication in accordance with IC 5-3-1.
 22 (F) With respect to bonds issued or a lease entered into to
 23 open:
 24 (i) a new school facility; or
 25 (ii) an existing facility that has not been used for at least
 26 three (3) years and that is being reopened to provide
 27 additional classroom space;
 28 the estimated costs the school corporation expects to incur
 29 annually to operate the facility.
 30 (G) A statement of whether the school corporation expects to
 31 appeal for a new facility adjustment (as defined in
 32 IC 20-45-1-16) for an increased maximum permissible tuition
 33 support levy to pay the estimated costs described in clause (F).
- 34 (4) After notice is given, a petition requesting the application of
 35 a petition and remonstrance process may be filed by the lesser of:
 36 (A) one hundred (100) owners of real property within the
 37 political subdivision; or
 38 (B) five percent (5%) of the owners of real property within the
 39 political subdivision.
- 40 (5) The state board of accounts shall design and, upon request by
 41 the county auditor, deliver to the county auditor or the county
 42 auditor's designated printer the petition forms to be used solely in
 43 the petition process described in this section. The county auditor
 44 shall issue to an owner or owners of real property within the
 45 political subdivision the number of petition forms requested by
 46 the owner or owners. Each form must be accompanied by
 47 instructions detailing the requirements that:

- 1 (A) the carrier and signers must be owners of real property;
 2 (B) the carrier must be a signatory on at least one (1) petition;
 3 (C) after the signatures have been collected, the carrier must
 4 swear or affirm before a notary public that the carrier
 5 witnessed each signature; and
 6 (D) govern the closing date for the petition period.
- 7 Persons requesting forms may not be required to identify
 8 themselves and may be allowed to pick up additional copies to
 9 distribute to other property owners.
- 10 (6) Each petition must be verified under oath by at least one (1)
 11 qualified petitioner in a manner prescribed by the state board of
 12 accounts before the petition is filed with the county auditor under
 13 subdivision (7).
- 14 (7) Each petition must be filed with the county auditor not more
 15 than thirty (30) days after publication under subdivision (2) of the
 16 notice of the preliminary determination.
- 17 (8) The county auditor must file a certificate and each petition
 18 with:
- 19 (A) the township trustee, if the political subdivision is a
 20 township, who shall present the petition or petitions to the
 21 township board; or
 22 (B) the body that has the authority to authorize the issuance of
 23 the bonds or the execution of a lease, if the political
 24 subdivision is not a township;
 25 within fifteen (15) business days of the filing of the petition
 26 requesting a petition and remonstrance process. The certificate
 27 must state the number of petitioners that are owners of real
 28 property within the political subdivision.
- 29 If a sufficient petition requesting a petition and remonstrance process
 30 is not filed by owners of real property as set forth in this section, the
 31 political subdivision may issue bonds or enter into a lease by following
 32 the provisions of law relating to the bonds to be issued or lease to be
 33 entered into."
- 34 Page 39, line 34, after "Sec. 3.2." insert "**(a) This section applies**
 35 **only to a controlled project that is not subject to section 3.6 of this**
 36 **chapter.**
 37 **(b)**".
- 38 Page 40, line 2, strike "3.1(1)(B)" and insert "**3.1(b)(1)(B)**".
- 39 Page 42, between lines 35 and 36, begin a new paragraph and insert:
 40 "SECTION 35. IC 6-1.1-20-3.5 IS ADDED TO THE INDIANA
 41 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 42 **[EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) This section applies**
 43 **only to a controlled project:**
 44 **(1) for which the proper officers of a political subdivision**
 45 **make a preliminary determination after June 30, 2007, to**
 46 **issue bonds or enter into a lease; and**
 47 **(2) that will cost a political subdivision more than the lesser**

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of:

- (A) two percent (2%) of the political subdivision's total gross certified assessed value; or**
- (B) ten million dollars (\$10,000,000).**

(b) A political subdivision may not impose property taxes to pay debt service or lease rentals without completing the following procedures:

- (1) The proper officers of a political subdivision shall:**
 - (A) publish notice in accordance with IC 5-3-1; and**
 - (B) send notice by first class mail to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices;**

of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on a preliminary determination before adoption of the ordinance or resolution.

- (2) Whenever the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:**

- (A) publication in accordance with IC 5-3-1; and**
- (B) first class mail to the organizations described in subdivision (1)(B).**

- (3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:**

- (A) The maximum term of the bonds or lease.**
- (B) The maximum principal amount of the bonds or the maximum lease rental for the lease.**
- (C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.**
- (D) The purpose of the bonds or lease.**
- (E) A statement that any owners of real property within the political subdivision or registered voters residing within the political subdivision who want to initiate a local public question opposing the proposed debt service or lease payments must file a petition that complies with subdivisions (4) and (5) not later than thirty (30) days after publication in accordance with IC 5-3-1.**
- (F) With respect to bonds issued or a lease entered into to open:**

- (i) a new school facility; or**
- (ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;**

the estimated costs the school corporation expects to annually incur to operate the facility.

- 1 **(G) A statement of whether the school corporation expects**
 2 **to appeal for a new facility adjustment (as defined in**
 3 **IC 20-45-1-16) for an increased maximum permissible**
 4 **tuition support levy to pay any estimated costs described**
 5 **in clause (F).**
- 6 **(4) After notice is given, a petition requesting the application**
 7 **of a local public question may be filed by the lesser of:**
- 8 **(A) one hundred (100) persons who are either owners of**
 9 **real property within the political subdivision or registered**
 10 **voters residing within the political subdivision; or**
- 11 **(B) five percent (5%) of the registered voters residing**
 12 **within the political subdivision.**
- 13 **(5) The state board of accounts shall design and, upon request**
 14 **by the county voter registration office, deliver to the county**
 15 **voter registration office or the county voter registration**
 16 **office's designated printer the petition forms to be used solely**
 17 **in the petition process described in this section. The county**
 18 **voter registration office shall issue to an owner or owners of**
 19 **real property within the political subdivision or a registered**
 20 **voter residing within the political subdivision the number of**
 21 **petition forms requested by the owner or owners or the**
 22 **registered voter. Each form must be accompanied by**
 23 **instructions detailing the requirements that:**
- 24 **(A) the carrier and signers must be owners of real**
 25 **property or registered voters;**
- 26 **(B) the carrier must be a signatory on at least one (1)**
 27 **petition;**
- 28 **(C) after the signatures have been collected, the carrier**
 29 **must swear or affirm before a notary public that the**
 30 **carrier witnessed each signature; and**
- 31 **(D) govern the closing date for the petition period.**
- 32 **Persons requesting forms may be required to identify**
 33 **themselves as owners of real property or registered voters and**
 34 **may be allowed to pick up additional copies to distribute to**
 35 **other property owners or registered voters. Each person**
 36 **signing a petition must indicate whether the person is signing**
 37 **the petition as a registered voter within the political**
 38 **subdivision or is signing the petition as the owner of real**
 39 **property within the political subdivision. A person who signs**
 40 **a petition as a registered voter must indicate the address at**
 41 **which the person is registered to vote. A person who signs a**
 42 **petition as a real property owner must indicate the address of**
 43 **the real property owned by the person in the political**
 44 **subdivision.**
- 45 **(6) Each petition must be verified under oath by at least one**
 46 **(1) qualified petitioner in a manner prescribed by the state**
 47 **board of accounts before the petition is filed with the county**
 48 **voter registration office under subdivision (7).**

- 1 **(7) Each petition must be filed with the county voter**
2 **registration office not more than thirty (30) days after**
3 **publication under subdivision (2) of the notice of the**
4 **preliminary determination.**
- 5 **(8) The county voter registration office shall determine**
6 **whether each person who signed the petition is a registered**
7 **voter. The county voter registration office shall forward a**
8 **copy of the petition to the county auditor not more than**
9 **fifteen (15) business days after receiving the petition. Not**
10 **more than ten (10) business days after receiving the copy of**
11 **the petition, the county auditor shall provide to the county**
12 **voter registration office a statement verifying:**
- 13 **(A) whether a person who signed the petition as a**
14 **registered voter but is not a registered voter, as**
15 **determined by the county voter registration office, is the**
16 **owner of real property in the political subdivision; and**
- 17 **(B) whether a person who signed the petition as an owner**
18 **of real property within the political subdivision does in fact**
19 **own real property within the political subdivision.**
- 20 **(9) The county voter registration office shall, not more than**
21 **ten (10) business days after receiving the statement from the**
22 **county auditor under subdivision (8), make the final**
23 **determination of the number of petitioners that are registered**
24 **voters in the political subdivision and, based on the statement**
25 **provided by the county auditor, the number of petitioners that**
26 **own real property within the political subdivision. Whenever**
27 **the name of an individual who signs a petition form as a**
28 **registered voter contains a minor variation from the name of**
29 **the registered voter as set forth in the records of the county**
30 **voter registration office, the signature is presumed to be valid,**
31 **and there is a presumption that the individual is entitled to**
32 **sign the petition under this section. Except as otherwise**
33 **provided in this chapter, in determining whether an**
34 **individual is a registered voter, the county voter registration**
35 **office shall apply the requirements and procedures used**
36 **under IC 3 to determine whether a person is a registered**
37 **voter for purposes of voting in an election governed by IC 3.**
38 **However, an individual is not required to comply with the**
39 **provisions concerning providing proof of identification to be**
40 **considered a registered voter for purposes of this chapter. A**
41 **person is entitled to sign a petition only one (1) time under this**
42 **section with respect to a particular controlled project,**
43 **regardless of whether the person owns more than one (1)**
44 **parcel of real property within the subdivision and regardless**
45 **of whether the person is both a registered voter in the political**
46 **subdivision and the owner of real property within the political**
47 **subdivision. Notwithstanding any other provision of this**
48 **section, if a petition is presented to the county voter**

1 registration office within thirty-five (35) days of an election,
 2 the county voter registration office may defer acting on the
 3 petition, and the time requirements under this section for
 4 action by the county voter registration office do not begin to
 5 run until five (5) days after the date of the election.

6 (10) The county voter registration office must file a certificate
 7 and each petition with:

8 (A) the township trustee, if the political subdivision is a
 9 township, who shall present the petition or petitions to the
 10 township board; or

11 (B) the body that has the authority to authorize the
 12 issuance of the bonds or the execution of a lease, if the
 13 political subdivision is not a township;

14 within thirty-five (35) business days of the filing of the petition
 15 requesting a local public question. The certificate must state
 16 the number of petitioners that are owners of real property
 17 within the political subdivision and the number of petitioners
 18 who are registered voters residing within the political
 19 subdivision.

20 If a sufficient petition requesting a local public question is not filed
 21 by owners of real property or registered voters as set forth in this
 22 section, the political subdivision may issue bonds or enter into a
 23 lease by following the provisions of law relating to the bonds to be
 24 issued or lease to be entered into.

25 SECTION 36. IC 6-1.1-20-3.6 IS ADDED TO THE INDIANA
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE UPON PASSAGE]: Sec. 3.6. (a) This section applies
 28 only to a controlled project:

29 (1) for which the proper officers of a political subdivision
 30 make a preliminary determination after June 30, 2007, to
 31 issue bonds or enter into a lease; and

32 (2) that will cost a political subdivision more than the lesser
 33 of:

34 (A) two percent (2%) of the political subdivision's total
 35 gross certified assessed value; or

36 (B) ten million dollars (\$10,000,000).

37 (b) If a sufficient petition requesting a local public question is
 38 filed by owners of real property or registered voters as set forth in
 39 section 3.5 of this chapter, a political subdivision may not impose
 40 property taxes to pay debt service or lease rentals unless the
 41 political subdivision's proposed debt service or lease rental is
 42 approved in an election on a local public question held under this
 43 section.

44 (c) The following question shall be submitted to the voters at the
 45 election conducted under this section:

46 "Shall _____ (insert the name of the political subdivision)
 47 issue bonds or enter into a lease to finance _____
 48 (insert the name of the controlled project)?"

1 (d) The county auditor shall certify the public question
2 described in subsection (c) under IC 3-10-9-3 to the county election
3 board of the county that contains the greatest percentage of
4 population of the political subdivision. After the public question is
5 certified, the public question shall be placed on the ballot at the
6 next primary or general election in which all voters of the political
7 subdivision are entitled to vote.

8 (e) The circuit court clerk shall certify the results of the public
9 question to the following:

10 (1) The county auditor of each county in which the political
11 subdivision is located.

12 (2) The department of local government finance.

13 (f) If a majority of the voters voting on the public question vote
14 in favor of the public question, the department of local government
15 finance shall take prompt and appropriate steps to notify the
16 political subdivision that the political subdivision may issue the
17 proposed bonds or enter into the lease by following the provisions
18 of law relating to the bonds to be issued or the leases to be entered
19 into.

20 (g) If a majority of the voters voting on the public question vote
21 in opposition to the public question, both of the following apply:

22 (1) The political subdivision may not issue the proposed bonds
23 or enter into the proposed lease rental.

24 (2) Another public question under this section on the same or
25 a substantially similar project may not be submitted to the
26 voters earlier than one (1) year after the date of the election.

27 (h) IC 3, to the extent not inconsistent with this section, applies
28 to an election held under this section."

29 Page 43, between lines 29 and 30, begin a new paragraph and insert:

30 "SECTION 37. IC 6-1.1-20-9 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) When the
32 proper officers of a political subdivision decide to issue bonds payable
33 from property taxes to finance a public improvement, they shall adopt
34 an ordinance or resolution which sets forth their determination to issue
35 the bonds. Except as provided in subsection (b), the political
36 subdivision may not advertise for or receive bids for the construction
37 of the improvement until ~~the expiration of the latter of:~~ **after:**

38 (1) **the expiration of** the time period within which:

39 (A) taxpayers may file a petition for review of ~~or~~ **the proposed**
40 **issue;**

41 (B) **taxpayers and voters may petition for** a remonstrance
42 against the proposed issue **in the case of a proposed issue**
43 **that is subject to section 3.1 of this chapter; or**

44 (C) **taxpayers and voters may petition for a local public**
45 **question opposing the proposed issue in the case of a**
46 **proposed issue that is subject to section 3.5 of this chapter;**
47 or

1 (2) the time period during which a petition for review of the
2 proposed issue is pending before the department of local
3 government finance.

4 (b) When a petition for review of a proposed issue is pending before
5 the department of local government finance, the department may order
6 the political subdivision to advertise for and receive bids for the
7 construction of the public improvement. When the department of local
8 government finance issues such an order, the political subdivision shall
9 file a bid report with the department within five (5) days after the bids
10 are received, and the department shall render a final decision on the
11 proposed issue within fifteen (15) days after it receives the bid report.
12 Notwithstanding the provisions of this subsection, a political
13 subdivision may not enter into a contract for the construction of a
14 public improvement while a petition for review of the bond issue which
15 is to finance the improvement is pending before the department of local
16 government finance.

17 SECTION 38. IC 6-1.1-20-10, AS AMENDED BY P.L.162-2006,
18 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 UPON PASSAGE]: Sec. 10. (a) This section applies **only** to a political
20 subdivision that adopts an ordinance or a resolution making a
21 preliminary determination to issue bonds or enter into a lease **that is**
22 **subject to section 3.1 of this chapter**. During the period commencing
23 with the adoption of the ordinance or resolution and, if a petition and
24 remonstrance process is commenced under section 3.2 of this chapter,
25 continuing through the sixty (60) day period commencing with the
26 notice under ~~section 3.2(1)~~ **section 3.2(b)(1)** of this chapter, the
27 political subdivision seeking to issue bonds or enter into a lease for the
28 proposed controlled project may not promote a position on the petition
29 or remonstrance by doing any of the following:

30 (1) Allowing facilities or equipment, including mail and
31 messaging systems, owned by the political subdivision to be used
32 for public relations purposes to promote a position on the petition
33 or remonstrance, unless equal access to the facilities or equipment
34 is given to persons with a position opposite to that of the political
35 subdivision.

36 (2) Making an expenditure of money from a fund controlled by
37 the political subdivision to promote a position on the petition or
38 remonstrance or to pay for the gathering of signatures on a
39 petition or remonstrance. This subdivision does not prohibit a
40 political subdivision from making an expenditure of money to an
41 attorney, an architect, a construction manager, or a financial
42 adviser for professional services provided with respect to a
43 controlled project.

44 (3) Using an employee to promote a position on the petition or
45 remonstrance during the employee's normal working hours or paid
46 overtime, or otherwise compelling an employee to promote a
47 position on the petition or remonstrance at any time.

- 1 (4) In the case of a school corporation, promoting a position on a
- 2 petition or remonstrance by:
- 3 (A) using students to transport written materials to their
- 4 residences or in any way directly involving students in a
- 5 school organized promotion of a position; or
- 6 (B) including a statement within another communication sent
- 7 to the students' residences.

8 However, this section does not prohibit an employee of the political
 9 subdivision from carrying out duties with respect to a petition or
 10 remonstrance that are part of the normal and regular conduct of the
 11 employee's office or agency.

12 (b) A person may not solicit or collect signatures for a petition or
 13 remonstrance on property owned or controlled by the political
 14 subdivision.

15 (c) The staff and employees of a school corporation may not
 16 personally identify a student as the child of a parent or guardian who
 17 supports or opposes a petition or remonstrance.

18 (d) A person or an organization that has a contract or arrangement
 19 (whether formal or informal) with a school corporation for the use of
 20 any of the school corporation's facilities may not spend any money to
 21 promote a position on the petition or remonstrance. A person or an
 22 organization that violates this subsection commits a Class A infraction.

23 (e) An attorney, an architect, a construction manager, or a financial
 24 adviser for professional services provided with respect to a controlled
 25 project may not spend any money to promote a position on the petition
 26 or remonstrance. A person who violates this subsection:

- 27 (1) commits a Class A infraction; and
- 28 (2) is barred from performing any services with respect to the
- 29 controlled project.

30 SECTION 30. IC 6-1.1-20-10.1 IS ADDED TO THE INDIANA
 31 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 32 [EFFECTIVE UPON PASSAGE]: **Sec. 10.1. (a) This section applies**
 33 **only to a political subdivision that adopts an ordinance or a**
 34 **resolution making a preliminary determination to issue bonds or**
 35 **enter into a lease that is subject to section 3.5 of this chapter.**

36 **(b) During the period beginning with the adoption of the**
 37 **ordinance or resolution and continuing through the day on which**
 38 **a local public question is submitted to the voters of the political**
 39 **subdivision under section 3.6 of this chapter, the political**
 40 **subdivision seeking to issue bonds or enter into a lease for the**
 41 **proposed controlled project may not promote a position on the**
 42 **local public question by doing any of the following:**

- 43 **(1) Allowing facilities or equipment, including mail and**
- 44 **messaging systems, owned by the political subdivision to be**
- 45 **used for public relations purposes to promote a position on**
- 46 **the local public question, unless equal access to the facilities**
- 47 **or equipment is given to persons with a position opposite to**

1 that of the political subdivision.

2 (2) Making an expenditure of money from a fund controlled
3 by the political subdivision to promote a position on the local
4 public question. This subdivision does not prohibit a political
5 subdivision from making an expenditure of money to an
6 attorney, an architect, a construction manager, or a financial
7 adviser for professional services provided with respect to a
8 controlled project.

9 (3) Using an employee to promote a position on the local
10 public question during the employee's normal working hours
11 or paid overtime, or otherwise compelling an employee to
12 promote a position on the local public question at any time.

13 (4) In the case of a school corporation, promoting a position
14 on a local public question by:

15 (A) using students to transport written materials to their
16 residences or in any way directly involving students in a
17 school organized promotion of a position; or

18 (B) including a statement within another communication
19 sent to the students' residences.

20 However, this section does not prohibit an employee of the political
21 subdivision from carrying out duties with respect to a local public
22 question that are part of the normal and regular conduct of the
23 employee's office or agency.

24 (c) The staff and employees of a school corporation may not
25 personally identify a student as the child of a parent or guardian
26 who supports or opposes a controlled project subject to a local
27 public question held under section 3.6 of this chapter.

28 (d) A person or an organization that has a contract or
29 arrangement (whether formal or informal) with a school
30 corporation for the use of any of the school corporation's facilities
31 may not spend any money to promote a position on a local public
32 question. A person or an organization that violates this subsection
33 commits a Class A infraction.

34 (e) An attorney, an architect, a construction manager, or a
35 financial adviser for professional services provided with respect to
36 a controlled project may not spend any money to promote a
37 position on a local public question. A person who violates this
38 subsection:

39 (1) commits a Class A infraction; and

40 (2) is barred from performing any services with respect to the
41 controlled project."

42 Page 149, between lines 13 and 14, begin a new paragraph and
43 insert:

44 "SECTION 106. IC 8-14-9-12 IS AMENDED TO READ AS
45 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. All bonds and
46 interest on bonds issued under this chapter are exempt from taxation as
47 provided under IC 6-8-5-1. All general laws relating to:

48 (1) the filing of a petition requesting the issuance of bonds;

- 1 (2) the right of:
- 2 (A) taxpayers **and voters** to remonstrate against the issuance
- 3 of bonds; **or**
- 4 (B) **voters to vote on the proposed issuance of bonds in an**
- 5 **election on a local public question;**
- 6 (3) the appropriation of the proceeds of the bonds and the
- 7 approval of the appropriation by the department of local
- 8 government finance; and
- 9 (4) the sale of bonds at public sale for not less than par value;
- 10 are applicable to proceedings under this chapter."

11 Page 149, between lines 20 and 21, begin a new paragraph and
 12 insert:

13 "SECTION 107. IC 8-22-3-16 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) The board
 15 may issue general obligation bonds of the authority for the purpose of
 16 procuring funds to pay the cost of acquiring real property, or
 17 constructing, enlarging, improving, remodeling, repairing, or equipping
 18 buildings, structures, runways, or other facilities, for use as or in
 19 connection with or for administrative purposes of the airport. The
 20 issuance of the bonds must be authorized by ordinance of the board
 21 providing for the amount, terms, and tenor of the bonds and for the
 22 time and character of notice and the mode of making sale. If one (1)
 23 airport is owned by the authority, an ordinance authorizing the issuance
 24 of bonds for a separate second airport is subject to approval as provided
 25 in this section. The bonds bear interest and are payable at the times and
 26 places that the board determines but running not more than twenty-five
 27 (25) years after the date of their issuance, and they must be executed in
 28 the name of the authority by the president of the board and attested by
 29 the secretary who shall affix to each of the bonds the official seal of the
 30 authority. The interest coupons attached to the bonds may be executed
 31 by placing on them the facsimile signature of the president of the
 32 board.

33 (b) The issuance of general obligation bonds must be approved by
 34 resolution of the following body:

- 35 (1) When the authority is established by an eligible entity, by its
- 36 fiscal body.
- 37 (2) When the authority is established by two (2) or more eligible
- 38 entities acting jointly, by the fiscal body of each of those entities.
- 39 (3) When the authority was established under IC 19-6-2 (**before**
- 40 **its repeal**), by the mayor of the consolidated city, and if a second
- 41 airport is to be funded, also by the city-county council.
- 42 (4) When the authority was established under IC 19-6-3 (**before**
- 43 **its repeal**), by the county council.

44 (c) The airport director shall manage and supervise the preparation,
 45 advertisement, and sale of the bonds, subject to the authorizing
 46 ordinance. Before the sale of the bonds, the airport director shall cause
 47 notice of the sale to be published once each week for two (2)

1 consecutive weeks in two (2) newspapers of general circulation
 2 published in the district, setting out the time and place where bids will
 3 be received, the amount and maturity dates of the issue, the maximum
 4 interest rate, and the terms and conditions of sale and delivery of the
 5 bonds. The bonds shall be sold to the highest bidder, in accordance
 6 with the procedures for selling public bonds. After the bonds have been
 7 properly sold and executed, the airport director shall deliver them to the
 8 treasurer of the authority and take ~~his a~~ receipt for them, and shall
 9 certify to the treasurer the amount which the purchaser is to pay for
 10 them, together with the name and address of the purchaser. On payment
 11 of the purchase price the treasurer shall deliver the bonds to the
 12 purchaser, and the treasurer and airport director or superintendent shall
 13 report their actions to the board.

14 (d) The provisions of IC 6-1.1-20 and IC 5-1 relating to:

- 15 (1) the filing of a petition requesting the issuance of bonds and
- 16 giving notice of them;
- 17 (2) the giving of notice of determination to issue bonds;
- 18 (3) the giving of notice of hearing on the appropriation of the
- 19 proceeds of bonds and the right of taxpayers to appeal and be
- 20 heard on the proposed appropriation;
- 21 (4) the approval of the appropriation by the department of local
- 22 government finance;
- 23 (5) the right of:
- 24 (A) taxpayers **and voters** to remonstrate against the issuance
- 25 of bonds; **or**
- 26 (B) **voters to vote on the proposed issuance of bonds in an**
- 27 **election on a local public question;** and
- 28 (6) the sale of bonds at public sale for not less than par value;

29 are applicable to proceedings under this chapter for the issuance of
 30 general obligation bonds.

31 (e) Bonds issued under this chapter are not a corporate obligation or
 32 indebtedness of any eligible entity but are an indebtedness of the
 33 authority as a municipal corporation. An action to question the validity
 34 of the bonds issued or to prevent their issue must be instituted not later
 35 than the date set for sale of the bonds, and all of the bonds after that
 36 date are incontestable."

37 Page 162, delete lines 28 through 29, begin a new line block
 38 indented and insert:

- 39 "(5) The right of:
- 40 (A) taxpayers **and voters** to remonstrate against the issuance
- 41 of bonds; **or**
- 42 (B) **voters to vote on the proposed issuance of bonds in an**
- 43 **election on a local public question."**

44 Page 163, between lines 34 and 35, begin a new paragraph and
 45 insert:

46 "SECTION 120. IC 12-29-2-18 IS AMENDED TO READ AS
 47 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. All general

1 Indiana statutes relating to the following apply to the issuance of
 2 county bonds under this chapter:

- 3 (1) The filing of a petition requesting the issuance of bonds.
- 4 (2) The giving of notice of the following:
 - 5 (A) The filing of the petition requesting the issuance of the
 - 6 bonds.
 - 7 (B) The determination to issue bonds.
 - 8 (C) A hearing on the appropriation of the proceeds of the
 - 9 bonds.
- 10 (3) The right of taxpayers to appear and be heard on the proposed
- 11 appropriation.
- 12 (4) The approval of the appropriation by the department of local
- 13 government finance.
- 14 (5) The right of:
 - 15 (A) taxpayers **and voters** to remonstrate against the issuance
 - 16 of bonds; **or**
 - 17 (B) **voters to vote on the proposed issuance of bonds in an**
 - 18 **election on a local public question."**

19 Page 164, between lines 6 and 7, begin a new paragraph and insert:
 20 "SECTION 121. IC 14-27-6-40 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 40. The provisions
 22 of IC 5-1 and IC 6-1.1-20 relating to the following apply to proceedings
 23 under this chapter:

- 24 (1) The filing of a petition requesting the issuance of bonds and
- 25 giving notice of the petition.
- 26 (2) The giving of notice of determination to issue bonds.
- 27 (3) The giving of notice of hearing on the appropriation of the
- 28 proceeds of bonds and the right of taxpayers to appeal and be
- 29 heard on the proposed appropriation.
- 30 (4) The approval of the appropriation by the department of local
- 31 government finance.
- 32 (5) The right of:
 - 33 (A) taxpayers **and voters** to remonstrate against the issuance
 - 34 of bonds; **or**
 - 35 (B) **voters to vote on the proposed issuance of bonds in an**
 - 36 **election on a local public question.**
- 37 (6) The sale of bonds at public sale for not less than the par
- 38 value."

39 Page 165, between lines 17 and 18, begin a new paragraph and
 40 insert:

41 "SECTION 124. IC 14-33-11-8 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) Before
 43 offering bonds for sale, the board shall give notice in the same manner
 44 as is ~~provided~~ **required by IC 6-1.1-20** for the sale of bonds by
 45 municipal corporations.

- 46 (b) Persons affected are entitled to:
 - 47 (1) remonstrate against issuance of the bonds **(in the case of a**

1 **preliminary determination made to issue bonds that is subject**
 2 **to IC 6-1.1-20-3.1); or**

3 **(2) vote on the proposed issuance of bonds in an election on a**
 4 **local public question (in the case of a preliminary**
 5 **determination to issue bonds that is subject to**
 6 **IC 6-1.1-20-3.5).**

7 (c) An action to question the validity of the bonds may not be
 8 instituted after the date fixed for sale, and the bonds are incontestable
 9 after that time.

10 SECTION 18. IC 14-33-11-9 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. If the board is
 12 denied the right to issue bonds as a result of remonstrance proceedings
 13 **or an election on a local public question held under IC 6-1.1-20-3.6:**

14 (1) all contracts let by the board for work to be paid from the sale
 15 of bonds are void; and

16 (2) no liability accrues to the district or to the board.

17 SECTION 19. IC 16-22-6-20 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) If the
 19 execution of the original or a modified lease is authorized, notice of the
 20 signing shall be published on behalf of the county one (1) time in a
 21 newspaper of general circulation and published in the county. Except
 22 as provided in subsection (b), at least ten (10) taxpayers in the county
 23 whose tax rate will be affected by the proposed lease may file a petition
 24 with the county auditor not more than thirty (30) days after publication
 25 of notice of the execution of the lease. The petition must set forth the
 26 objections to the lease and facts showing that the execution of the lease
 27 is unnecessary or unwise or that the lease rental is not fair and
 28 reasonable.

29 (b) The authority for taxpayers to object to a proposed lease
 30 described in subsection (a) does not apply if the authority complies
 31 with the procedures for the issuance of bonds and other evidences of
 32 indebtedness described in ~~IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2.~~
 33 **IC 6-1.1-20.**

34 SECTION 20. IC 16-22-8-43 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 43. (a) The board
 36 may issue general obligation bonds of the corporation to procure funds
 37 to pay the cost of acquiring real property or constructing, enlarging,
 38 improving, remodeling, repairing, or equipping buildings and other
 39 structures for use as or in connection with hospitals, clinics, health
 40 centers, dispensaries, or for administrative purposes. The issuance of
 41 the bonds shall be authorized by ordinance of the board providing for
 42 the amount, terms, and tenor of the bonds, for the time and character of
 43 notice, and the mode of making the sale. The bonds shall be payable
 44 not more than forty (40) years after the date of issuance and shall be
 45 executed in the name of the corporation by the chairman of the board
 46 and attested by the executive director, who shall affix to each of the
 47 bonds the official seal of the corporation. The interest coupons attached

1 to the bonds may be executed by facsimile signature of the chairman
2 of the board.

3 (b) The executive director shall manage and supervise the
4 preparation, advertisement, and sale of bonds, subject to the provisions
5 of the authorizing ordinance. Before the sale of the bonds, the
6 executive director shall publish notice of the sale in accordance with
7 IC 5-3-1, setting out the time and place where bids will be received, the
8 amount and maturity dates of the issue, the maximum interest rate, and
9 the terms and conditions of sale and delivery of the bonds. The bonds
10 shall be sold to the highest and best bidder. After the bonds have been
11 sold and executed, the executive director shall deliver the bonds to the
12 treasurer of the corporation and take the treasurer's receipt, and shall
13 certify to the treasurer the amount that the purchaser is to pay, together
14 with the name and address of the purchaser. On payment of the
15 purchase price, the treasurer shall deliver the bonds to the purchaser,
16 and the treasurer and executive director shall report the actions to the
17 board.

18 (c) IC 5-1 and IC 6-1.1-20 apply to the following proceedings:

19 (1) Notice and filing of the petition requesting the issuance of the
20 bonds.

21 (2) Notice of determination to issue bonds.

22 (3) Notice of hearing on the appropriation of the proceeds of the
23 bonds and the right of taxpayers to appeal and be heard.

24 (4) Approval by the department of local government finance.

25 (5) The right to:

26 (A) remonstrate; or

27 (B) **vote on the proposed issuance of bonds in an election**
28 **on a local public question.**

29 (6) Sale of bonds at public sale for not less than the par value.

30 (d) The bonds are the direct general obligations of the corporation
31 and are payable out of unlimited ad valorem taxes levied and collected
32 on all the taxable property within the county of the corporation. All
33 officials and bodies having to do with the levying of taxes for the
34 corporation shall see that sufficient levies are made to meet the
35 principal and interest on the bonds at the time fixed for payment.

36 (e) The bonds are exempt from taxation for all purposes, but the
37 interest is subject to the adjusted gross income tax."

38 Page 175, line 23, strike "IC 6-1.1-20-3.1(2)," and insert "**IC**
39 **6-1.1-20-3.1(b)(2) or IC 6-1.1-20-3.5(b)(2), whichever is**
40 **applicable,**".

41 Page 175, line 38, strike "replacement" and insert "**acquisition**".

42 Page 175, line 39, delete "IC 21-2-11.5-3.1." and insert "IC
43 21-2-11.5-3.1 (**before its repeal**) or **IC 20-46-5.**".

44 Page 177, between lines 12 and 13, begin a new paragraph and
45 insert:

46 "SECTION 22. IC 20-47-4-6, AS ADDED BY P.L.2-2006,
47 SECTION 170, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) A lessor corporation may
 2 acquire and finance an existing school building, other than as provided
 3 in section 5 of this chapter, and lease the existing school building to a
 4 school corporation. A school corporation shall comply with:

5 (1) IC 20-47-2 or IC 20-47-3; and

6 (2) **either:**

7 (A) the petition and remonstrance provisions under
 8 IC 6-1.1-20 **(in the case of a preliminary determination to**
 9 **enter into a lease that is subject to IC 6-1.1-20-3.1); or**

10 **(B) the local public question provisions under IC 6-1.1-20**
 11 **(in the case of a preliminary determination to enter into a**
 12 **lease that is subject to IC 6-1.1-20-3.5).**

13 (b) A lease made under this section may provide for the payment of
 14 lease rentals by the school corporation for the use of the existing school
 15 building.

16 (c) Lease rental payments made under the lease do not constitute a
 17 debt of the school corporation for purposes of the Constitution of the
 18 State of Indiana.

19 (d) A new school building may be substituted for the existing school
 20 building under the lease if the substitution was included in the notices
 21 given under IC 20-47-2, IC 20-47-3, and IC 6-1.1-20. A new school
 22 building must be substituted for the existing school building upon
 23 completion of the new school building.

24 SECTION 23. IC 20-48-1-8, AS ADDED BY P.L.2-2006,
 25 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE UPON PASSAGE]: Sec. 8. The provisions of all general
 27 statutes and rules relating to:

28 (1) filing petitions requesting the issuance of bonds and giving
 29 notice of the issuance of bonds;

30 (2) giving notice of determination to issue bonds;

31 (3) giving notice of a hearing on the appropriation of the proceeds
 32 of the bonds and the right of taxpayers to appear and be heard on
 33 the proposed appropriation;

34 (4) the approval of the appropriation by the department of local
 35 government finance; and

36 (5) the right of:

37 **(A) taxpayers and voters to remonstrate against the issuance**
 38 **of bonds; or**

39 **(B) voters to vote on the proposed issuance of bonds in an**
 40 **election on a local public question;**

41 apply to proceedings for the issuance of bonds and the making of an
 42 emergency loan under this article and IC 20-26-1 through IC 20-26-5.
 43 An action to contest the validity of the bonds or emergency loans may
 44 not be brought later than five (5) days after the acceptance of a bid for
 45 the sale of the bonds.

46 SECTION 24. IC 36-3-5-8 IS AMENDED TO READ AS
 47 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) This section

1 applies whenever a special taxing district of the consolidated city has
2 the power to issue bonds, notes, or warrants.

3 (b) Before any bonds, notes, or warrants of a special taxing district
4 may be issued, the issue must be approved by resolution of the
5 legislative body of the consolidated city.

6 (c) Any bonds of a special taxing district must be issued in the
7 manner prescribed by statute for that district, and the board of the
8 department having jurisdiction over the district shall:

9 (1) hold all required hearings;

10 (2) adopt all necessary resolutions; and

11 (3) appropriate the proceeds of the bonds;

12 in that manner. However, the legislative body shall levy each year the
13 special tax required to pay the principal of and interest on the bonds
14 and any bank paying charges.

15 (d) Notwithstanding any other statute, bonds of a special taxing
16 district may:

17 (1) be dated;

18 (2) be issued in any denomination;

19 (3) mature at any time or times not exceeding fifty (50) years after
20 their date; and

21 (4) be payable at any bank or banks;

22 as determined by the board. The interest rate or rates that the bonds will
23 bear must be determined by bidding, notwithstanding IC 5-1-11-3.

24 (e) Bonds of a special taxing district are subject to the provisions of
25 IC 5-1 and IC 6-1.1-20 relating to **the following**:

26 (1) The filing of a petition requesting the issuance of bonds and
27 giving notice of the petition.

28 (2) The giving of notice of a hearing on the appropriation of the
29 proceeds of bonds.

30 (3) The right of taxpayers to appear and be heard on the proposed
31 appropriation.

32 (4) The approval of the appropriation by the department of local
33 government finance.

34 (5) The right of:

35 (A) taxpayers **and voters** to remonstrate against the issuance
36 of bonds; ~~and~~ or

37 (B) voters to vote on the proposed issuance of bonds in an
38 election on a local public question.

39 (6) The sale of bonds at public sale.

40 SECTION 25. IC 36-5-2-11 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The
42 legislative body may issue bonds for the purpose of procuring money
43 to be used in the exercise of the powers of the town and for the
44 payment of town debts. However, a town may not issue bonds to
45 procure money to pay current expenses.

46 (b) Bonds issued under this section are payable in the amounts and
47 at the times determined by the legislative body.

1 (c) Bonds issued under this section are subject to the provisions of
2 IC 5-1 and IC 6-1.1-20 relating to **the following:**

3 (1) The filing of a petition requesting the issuance of bonds and
4 giving notice of the petition.

5 (2) The giving of notice of a hearing on the appropriation of the
6 proceeds of bonds.

7 (3) The right of taxpayers to appear and be heard on the proposed
8 appropriation.

9 (4) The approval of the appropriation by the department of local
10 government finance.

11 (5) The right of:

12 (A) taxpayers **and voters** to remonstrate against the issuance
13 of bonds; ~~and~~ or

14 (B) voters to vote on the proposed issuance of bonds in an
15 election on a local public question.

16 (6) The sale of bonds at public sale for not less than their par
17 value.

18 (d) The legislative body may, by ordinance, make loans of money
19 for not more than five (5) years and issue notes for the purpose of
20 refunding those loans. The loans may be made only for the purpose of
21 procuring money to be used in the exercise of the powers of the town,
22 and the total amount of outstanding loans under this subsection may not
23 exceed five percent (5%) of the town's total tax levy in the current year
24 (excluding amounts levied to pay debt service and lease rentals). Loans
25 under this subsection shall be made as follows:

26 (1) The ordinance authorizing the loans must pledge to their
27 payment a sufficient amount of tax revenues over the ensuing five
28 (5) years to provide for refunding the loans.

29 (2) The loans must be evidenced by notes of the town in terms
30 designating the nature of the consideration, the time and place
31 payable, and the revenues out of which they will be payable.

32 (3) The interest accruing on the notes to the date of maturity may
33 be added to and included in their face value or be made payable
34 periodically, as provided in the ordinance.

35 Notes issued under this subsection are not bonded indebtedness for
36 purposes of IC 6-1.1-18.5.

37 SECTION 26. IC 36-7-14-25.1, AS AMENDED BY P.L.185-2005,
38 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 UPON PASSAGE]: Sec. 25.1. (a) In addition to other methods of
40 raising money for property acquisition or redevelopment in a
41 redevelopment project area, and in anticipation of the special tax to be
42 levied under section 27 of this chapter, the taxes allocated under
43 section 39 of this chapter, or other revenues of the district, or any
44 combination of these sources, the redevelopment commission may, by
45 resolution and subject to subsection (p), issue the bonds of the special
46 taxing district in the name of the unit. The amount of the bonds may
47 not exceed the total, as estimated by the commission, of all expenses

1 reasonably incurred in connection with the acquisition and
2 redevelopment of the property, including:

3 (1) the total cost of all land, rights-of-way, and other property to
4 be acquired and redeveloped;

5 (2) all reasonable and necessary architectural, engineering, legal,
6 financing, accounting, advertising, bond discount, and
7 supervisory expenses related to the acquisition and redevelopment
8 of the property or the issuance of bonds;

9 (3) capitalized interest permitted by this chapter and a debt
10 service reserve for the bonds to the extent the redevelopment
11 commission determines that a reserve is reasonably required; and

12 (4) expenses that the redevelopment commission is required or
13 permitted to pay under IC 8-23-17.

14 (b) If the redevelopment commission plans to acquire different
15 parcels of land or let different contracts for redevelopment work at
16 approximately the same time, whether under one (1) or more
17 resolutions, the commission may provide for the total cost in one (1)
18 issue of bonds.

19 (c) The bonds must be dated as set forth in the bond resolution and
20 negotiable, subject to the requirements of the bond resolution for
21 registering the bonds. The resolution authorizing the bonds must state:

22 (1) the denominations of the bonds;

23 (2) the place or places at which the bonds are payable; and

24 (3) the term of the bonds, which may not exceed fifty (50) years.

25 The resolution may also state that the bonds are redeemable before
26 maturity with or without a premium, as determined by the
27 redevelopment commission.

28 (d) The redevelopment commission shall certify a copy of the
29 resolution authorizing the bonds to the municipal or county fiscal
30 officer, who shall then prepare the bonds, subject to subsection (p). The
31 seal of the unit must be impressed on the bonds, or a facsimile of the
32 seal must be printed on the bonds.

33 (e) The bonds must be executed by the appropriate officer of the
34 unit, and attested by the municipal or county fiscal officer.

35 (f) The bonds are exempt from taxation for all purposes.

36 (g) The municipal or county fiscal officer shall give notice of the
37 sale of the bonds by publication in accordance with IC 5-3-1. The
38 municipal fiscal officer, or county fiscal officer or executive, shall sell
39 the bonds to the highest bidder, but may not sell them for less than
40 ninety-seven percent (97%) of their par value. However, bonds payable
41 solely or in part from tax proceeds allocated under section 39(b)(2) of
42 this chapter, or other revenues of the district, may be sold at a private
43 negotiated sale.

44 (h) Except as provided in subsection (i), a redevelopment
45 commission may not issue the bonds when the total issue, including
46 bonds already issued and to be issued, exceeds two percent (2%) of the
47 adjusted value of the taxable property in the special taxing district, as

- 1 determined under IC 36-1-15.
- 2 (i) The bonds are not a corporate obligation of the unit but are an
3 indebtedness of the taxing district. The bonds and interest are payable,
4 as set forth in the bond resolution of the redevelopment commission:
- 5 (1) from a special tax levied upon all of the property in the taxing
6 district, as provided by section 27 of this chapter;
- 7 (2) from the tax proceeds allocated under section 39(b)(2) of this
8 chapter;
- 9 (3) from other revenues available to the redevelopment
10 commission; or
- 11 (4) from a combination of the methods stated in subdivisions (1)
12 through (3).
- 13 If the bonds are payable solely from the tax proceeds allocated under
14 section 39(b)(2) of this chapter, other revenues of the redevelopment
15 commission, or any combination of these sources, they may be issued
16 in any amount without limitation.
- 17 (j) Proceeds from the sale of bonds may be used to pay the cost of
18 interest on the bonds for a period not to exceed five (5) years from the
19 date of issuance.
- 20 (k) All laws relating to the giving of notice of the issuance of bonds,
21 the giving of notice of a hearing on the appropriation of the proceeds
22 of the bonds, the right of taxpayers to appear and be heard on the
23 proposed appropriation, and the approval of the appropriation by the
24 department of local government finance apply to all bonds issued under
25 this chapter that are payable from the special benefits tax levied
26 pursuant to section 27 of this chapter or from taxes allocated under
27 section 39 of this chapter.
- 28 (l) All laws relating to:
- 29 (1) the filing of petitions requesting the issuance of bonds; and
30 (2) the right of:
- 31 (A) taxpayers **and voters** to remonstrate against the issuance
32 of bonds; **or**
- 33 (B) **voters to vote on the proposed issuance of bonds in an**
34 **election on a local public question;**
- 35 apply to bonds issued under this chapter, except for bonds payable
36 solely from tax proceeds allocated under section 39(b)(2) of this
37 chapter, other revenues of the redevelopment commission, or any
38 combination of these sources.
- 39 (m) If a debt service reserve is created from the proceeds of bonds,
40 the debt service reserve may be used to pay principal and interest on
41 the bonds as provided in the bond resolution.
- 42 (n) Any amount remaining in the debt service reserve after all of the
43 bonds of the issue for which the debt service reserve was established
44 have matured shall be deposited in the allocation fund established
45 under section 39(b)(2) of this chapter.
- 46 (o) If bonds are issued under this chapter that are payable solely or
47 in part from revenues to the redevelopment commission from a project

1 or projects, the redevelopment commission may adopt a resolution or
 2 trust indenture or enter into covenants as is customary in the issuance
 3 of revenue bonds. The resolution or trust indenture may pledge or
 4 assign the revenues from the project or projects, but may not convey or
 5 mortgage any project or parts of a project. The resolution or trust
 6 indenture may also contain any provisions for protecting and enforcing
 7 the rights and remedies of the bond owners as may be reasonable and
 8 proper and not in violation of law, including covenants setting forth the
 9 duties of the redevelopment commission. The redevelopment
 10 commission may establish fees and charges for the use of any project
 11 and covenant with the owners of any bonds to set those fees and
 12 charges at a rate sufficient to protect the interest of the owners of the
 13 bonds. Any revenue bonds issued by the redevelopment commission
 14 that are payable solely from revenues of the commission shall contain
 15 a statement to that effect in the form of bond.

16 (p) If the total principal amount of bonds authorized by a resolution
 17 of the redevelopment commission is equal to or greater than three
 18 million dollars (\$3,000,000), the bonds may not be issued without the
 19 approval, by resolution, of the legislative body of the unit."

20 Page 185, between lines 36 and 37, begin a new paragraph and
 21 insert:

22 "SECTION 148. IC 36-7-14.5-12.5, AS AMENDED BY
 23 P.L.1-2006, SECTION 567, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE UPON PASSAGE]: Sec. 12.5. (a) This section applies
 25 only to an authority in a county having a United States government
 26 military base that is scheduled for closing or is completely or partially
 27 inactive or closed.

28 (b) In order to accomplish the purposes set forth in section 11 of this
 29 chapter, an authority may create an economic development area:

- 30 (1) by following the procedures set forth in IC 36-7-14-41 for the
- 31 establishment of an economic development area by a
- 32 redevelopment commission; and
- 33 (2) with the same effect as if the economic development area was
- 34 created by a redevelopment commission.

35 The area established under this section shall be established only in the
 36 area where a United States government military base that is scheduled
 37 for closing or is completely or partially inactive or closed is or was
 38 located.

39 (c) In order to accomplish the purposes set forth in section 11 of this
 40 chapter, an authority may do the following in a manner that serves an
 41 economic development area created under this section:

- 42 (1) Acquire by purchase, exchange, gift, grant, condemnation, or
- 43 lease, or any combination of methods, any personal property or
- 44 interest in real property needed for the redevelopment of
- 45 economic development areas located within the corporate
- 46 boundaries of the unit.
- 47 (2) Hold, use, sell (by conveyance by deed, land sale contract, or

- 1 other instrument), exchange, lease, rent, or otherwise dispose of
2 property acquired for use in the redevelopment of economic
3 development areas on the terms and conditions that the authority
4 considers best for the unit and the unit's inhabitants.
- 5 (3) Sell, lease, or grant interests in all or part of the real property
6 acquired for redevelopment purposes to any other department of
7 the unit or to any other governmental agency for public ways,
8 levees, sewerage, parks, playgrounds, schools, and other public
9 purposes on any terms that may be agreed on.
- 10 (4) Clear real property acquired for redevelopment purposes.
- 11 (5) Repair and maintain structures acquired for redevelopment
12 purposes.
- 13 (6) Remodel, rebuild, enlarge, or make major structural
14 improvements on structures acquired for redevelopment purposes.
- 15 (7) Survey or examine any land to determine whether the land
16 should be included within an economic development area to be
17 acquired for redevelopment purposes and to determine the value
18 of that land.
- 19 (8) Appear before any other department or agency of the unit, or
20 before any other governmental agency in respect to any matter
21 affecting:
- 22 (A) real property acquired or being acquired for
23 redevelopment purposes; or
- 24 (B) any economic development area within the jurisdiction of
25 the authority.
- 26 (9) Institute or defend in the name of the unit any civil action, but
27 all actions against the authority must be brought in the circuit or
28 superior court of the county where the authority is located.
- 29 (10) Use any legal or equitable remedy that is necessary or
30 considered proper to protect and enforce the rights of and perform
31 the duties of the authority.
- 32 (11) Exercise the power of eminent domain in the name of and
33 within the corporate boundaries of the unit subject to the same
34 conditions and procedures that apply to the exercise of the power
35 of eminent domain by a redevelopment commission under
36 IC 36-7-14.
- 37 (12) Appoint an executive director, appraisers, real estate experts,
38 engineers, architects, surveyors, and attorneys.
- 39 (13) Appoint clerks, guards, laborers, and other employees the
40 authority considers advisable, except that those appointments
41 must be made in accordance with the merit system of the unit if
42 such a system exists.
- 43 (14) Prescribe the duties and regulate the compensation of
44 employees of the authority.
- 45 (15) Provide a pension and retirement system for employees of
46 the authority by using the public employees' retirement fund or a
47 retirement plan approved by the United States Department of

- 1 Housing and Urban Development.
- 2 (16) Discharge and appoint successors to employees of the
- 3 authority subject to subdivision (13).
- 4 (17) Rent offices for use of the department or authority, or accept
- 5 the use of offices furnished by the unit.
- 6 (18) Equip the offices of the authority with the necessary
- 7 furniture, furnishings, equipment, records, and supplies.
- 8 (19) Design, order, contract for, and construct, reconstruct,
- 9 improve, or renovate the following:
- 10 (A) Any local public improvement or structure that is
- 11 necessary for redevelopment purposes or economic
- 12 development within the corporate boundaries of the unit.
- 13 (B) Any structure that enhances development or economic
- 14 development.
- 15 (20) Contract for the construction, extension, or improvement of
- 16 pedestrian skyways (as defined in IC 36-7-14-12.2(c)).
- 17 (21) Accept loans, grants, and other forms of financial assistance
- 18 from, or contract with, the federal government, the state
- 19 government, a municipal corporation, a special taxing district, a
- 20 foundation, or any other source.
- 21 (22) Make and enter into all contracts and agreements necessary
- 22 or incidental to the performance of the duties of the authority and
- 23 the execution of the powers of the authority under this chapter.
- 24 (23) Take any action necessary to implement the purpose of the
- 25 authority.
- 26 (24) Provide financial assistance, in the manner that best serves
- 27 the purposes set forth in section 11 of this chapter, including
- 28 grants and loans, to enable private enterprise to develop,
- 29 redevelop, and reuse military base property or otherwise enable
- 30 private enterprise to provide social and economic benefits to the
- 31 citizens of the unit.
- 32 (d) An authority may designate all or a portion of an economic
- 33 development area created under this section as an allocation area by
- 34 following the procedures set forth in IC 36-7-14-39 for the
- 35 establishment of an allocation area by a redevelopment commission.
- 36 The allocation provision may modify the definition of "property taxes"
- 37 under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the
- 38 depreciable personal property located and taxable on the site of
- 39 operations of designated taxpayers in accordance with the procedures
- 40 applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3
- 41 applies to such a modification. An allocation area established by an
- 42 authority under this section is a special taxing district authorized by the
- 43 general assembly to enable the unit to provide special benefits to
- 44 taxpayers in the allocation area by promoting economic development
- 45 that is of public use and benefit. For allocation areas established for an
- 46 economic development area created under this section after June 30,
- 47 1997, and to the expanded portion of an allocation area for an

1 economic development area that was established before June 30, 1997,
 2 and that is expanded under this section after June 30, 1997, the net
 3 assessed value of property that is assessed as residential property under
 4 the rules of the department of local government finance, as finally
 5 determined for any assessment date, must be allocated. All of the
 6 provisions of IC 36-7-14-39, IC 36-7-14-39.1, and IC 36-7-14-39.5
 7 apply to an allocation area created under this section, except that the
 8 authority shall be vested with the rights and duties of a commission as
 9 referenced in those sections, and except that, notwithstanding
 10 IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation
 11 fund may be used by the authority only to do one (1) or more of the
 12 following:

13 (1) Pay the principal of and interest and redemption premium on
 14 any obligations incurred by the special taxing district or any other
 15 entity for the purpose of financing or refinancing military base
 16 reuse activities in or serving or benefiting that allocation area.

17 (2) Establish, augment, or restore the debt service reserve for
 18 obligations payable solely or in part from allocated tax proceeds
 19 in that allocation area or from other revenues of the authority
 20 (including lease rental revenues).

21 (3) Make payments on leases payable solely or in part from
 22 allocated tax proceeds in that allocation area.

23 (4) Reimburse any other governmental body for expenditures
 24 made by it for local public improvements or structures in or
 25 serving or benefiting that allocation area.

26 (5) Pay all or a portion of a property tax replacement credit to
 27 taxpayers in an allocation area as determined by the authority.
 28 This credit equals the amount determined under the following
 29 STEPS for each taxpayer in a taxing district (as defined in
 30 IC 6-1.1-1-20) that contains all or part of the allocation area:

31 STEP ONE: Determine that part of the sum of the amounts
 32 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 33 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 34 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

35 STEP TWO: Divide:

36 (A) that part of each county's eligible property tax
 37 replacement amount (as defined in IC 6-1.1-21-2) for that
 38 year as determined under IC 6-1.1-21-4 that is attributable
 39 to the taxing district; by

40 (B) the STEP ONE sum.

41 STEP THREE: Multiply:

42 (A) the STEP TWO quotient; by

43 (B) the total amount of the taxpayer's taxes (as defined in
 44 IC 6-1.1-21-2) levied in the taxing district that have been
 45 allocated during that year to an allocation fund under this
 46 section.

47 If not all the taxpayers in an allocation area receive the credit in

1 full, each taxpayer in the allocation area is entitled to receive the
 2 same proportion of the credit. A taxpayer may not receive a credit
 3 under this section and a credit under IC 36-7-14-39.5 in the same
 4 year.

5 (6) Pay expenses incurred by the authority for local public
 6 improvements or structures that are in the allocation area or
 7 serving or benefiting the allocation area.

8 (7) Reimburse public and private entities for expenses incurred in
 9 training employees of industrial facilities that are located:

10 (A) in the allocation area; and

11 (B) on a parcel of real property that has been classified as
 12 industrial property under the rules of the department of local
 13 government finance.

14 However, the total amount of money spent for this purpose in any
 15 year may not exceed the total amount of money in the allocation
 16 fund that is attributable to property taxes paid by the industrial
 17 facilities described in clause (B). The reimbursements under this
 18 subdivision must be made within three (3) years after the date on
 19 which the investments that are the basis for the increment
 20 financing are made. The allocation fund may not be used for
 21 operating expenses of the authority.

22 (e) In addition to other methods of raising money for property
 23 acquisition, redevelopment, or economic development activities in or
 24 directly serving or ~~benefitting~~ **benefiting** an economic development
 25 area created by an authority under this section, and in anticipation of
 26 the taxes allocated under subsection (d), other revenues of the
 27 authority, or any combination of these sources, the authority may, by
 28 resolution, issue the bonds of the special taxing district in the name of
 29 the unit. Bonds issued under this section may be issued in any amount
 30 without limitation. The following apply if such a resolution is adopted:

31 (1) The authority shall certify a copy of the resolution authorizing
 32 the bonds to the municipal or county fiscal officer, who shall then
 33 prepare the bonds. The seal of the unit must be impressed on the
 34 bonds, or a facsimile of the seal must be printed on the bonds.

35 (2) The bonds must be executed by the appropriate officer of the
 36 unit and attested by the unit's fiscal officer.

37 (3) The bonds are exempt from taxation for all purposes.

38 (4) Bonds issued under this section may be sold at public sale in
 39 accordance with IC 5-1-11 or at a negotiated sale.

40 (5) The bonds are not a corporate obligation of the unit but are an
 41 indebtedness of the taxing district. The bonds and interest are
 42 payable, as set forth in the bond resolution of the authority:

43 (A) from the tax proceeds allocated under subsection (d);

44 (B) from other revenues available to the authority; or

45 (C) from a combination of the methods stated in clauses (A)
 46 and (B).

47 (6) Proceeds from the sale of bonds may be used to pay the cost

- 1 of interest on the bonds for a period not to exceed five (5) years
 2 from the date of issuance.
- 3 (7) Laws relating to:
- 4 (A) the filing of petitions requesting the issuance of bonds;
 5 and
- 6 (B) the right of:
- 7 (i) taxpayers **and voters** to remonstrate against the issuance
 8 of bonds; **or**
- 9 (ii) **voters to vote on the proposed issuance of bonds in an**
 10 **election on a local public question;**
- 11 do not apply to bonds issued under this section.
- 12 (8) If a debt service reserve is created from the proceeds of bonds,
 13 the debt service reserve may be used to pay principal and interest
 14 on the bonds as provided in the bond resolution.
- 15 (9) If bonds are issued under this chapter that are payable solely
 16 or in part from revenues to the authority from a project or
 17 projects, the authority may adopt a resolution or trust indenture or
 18 enter into covenants as is customary in the issuance of revenue
 19 bonds. The resolution or trust indenture may pledge or assign the
 20 revenues from the project or projects. The resolution or trust
 21 indenture may also contain any provisions for protecting and
 22 enforcing the rights and remedies of the bond owners as may be
 23 reasonable and proper and not in violation of law, including
 24 covenants setting forth the duties of the authority. The authority
 25 may establish fees and charges for the use of any project and
 26 covenant with the owners of any bonds to set those fees and
 27 charges at a rate sufficient to protect the interest of the owners of
 28 the bonds. Any revenue bonds issued by the authority that are
 29 payable solely from revenues of the authority shall contain a
 30 statement to that effect in the form of bond.
- 31 (f) Notwithstanding section 8(a) of this chapter, an ordinance
 32 adopted under ~~section 11~~ of this chapter may provide, or be amended
 33 to provide, that the board of directors of the authority shall be
 34 composed of not fewer than three (3) nor more than eleven (11)
 35 members, who must be residents of the unit appointed by the executive
 36 of the unit.
- 37 (g) The acquisition of real and personal property by an authority
 38 under this section is not subject to the provisions of IC 5-22,
 39 IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the
 40 purchase of property by public bodies or their agencies.
- 41 (h) An authority may negotiate for the sale, lease, or other
 42 disposition of real and personal property without complying with the
 43 provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other
 44 statute governing the disposition of public property.
- 45 (i) Notwithstanding any other law, utility services provided within
 46 an economic development area established under this section are
 47 subject to regulation by the appropriate regulatory agencies unless the

1 utility service is provided by a utility that provides utility service solely
 2 within the geographic boundaries of an existing or a closed military
 3 installation, in which case the utility service is not subject to regulation
 4 for purposes of rate making, regulation, service delivery, or issuance of
 5 bonds or other forms of indebtedness. However, this exemption from
 6 regulation does not apply to utility service if the service is generated,
 7 treated, or produced outside the boundaries of the existing or closed
 8 military installation.

9 SECTION 28. IC 36-7-15.1-17, AS AMENDED BY P.L.185-2005,
 10 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 UPON PASSAGE]: Sec. 17. (a) In addition to other methods of raising
 12 money for property acquisition or redevelopment in a redevelopment
 13 project area, and in anticipation of the special tax to be levied under
 14 section 19 of this chapter, the taxes allocated under section 26 of this
 15 chapter, or other revenues of the redevelopment district, the
 16 commission may, by resolution, issue the bonds of the redevelopment
 17 district in the name of the consolidated city and in accordance with
 18 IC 36-3-5-8. The amount of the bonds may not exceed the total, as
 19 estimated by the commission, of all expenses reasonably incurred in
 20 connection with the acquisition and redevelopment of the property,
 21 including:

- 22 (1) the total cost of all land, rights-of-way, and other property to
 23 be acquired and redeveloped;
- 24 (2) all reasonable and necessary architectural, engineering, legal,
 25 financing, accounting, advertising, bond discount, and
 26 supervisory expenses related to the acquisition and redevelopment
 27 of the property or the issuance of bonds;
- 28 (3) capitalized interest permitted in this chapter and a debt service
 29 reserve for the bonds, to the extent that the redevelopment
 30 commission determines that a reserve is reasonably required;
- 31 (4) the total cost of all clearing and construction work provided
 32 for in the resolution; and
- 33 (5) expenses that the commission is required or permitted to pay
 34 under IC 8-23-17.

35 (b) If the commission plans to acquire different parcels of land or let
 36 different contracts for redevelopment work at approximately the same
 37 time, whether under one (1) or more resolutions, the commission may
 38 provide for the total cost in one (1) issue of bonds.

39 (c) The bonds must be dated as set forth in the bond resolution and
 40 negotiable subject to the requirements of the bond resolution for the
 41 registration of the bonds. The resolution authorizing the bonds must
 42 state:

- 43 (1) the denominations of the bonds;
- 44 (2) the place or places at which the bonds are payable; and
- 45 (3) the term of the bonds, which may not exceed fifty (50) years.

46 The resolution may also state that the bonds are redeemable before
 47 maturity with or without a premium, as determined by the commission.

1 (d) The commission shall certify a copy of the resolution authorizing
 2 the bonds to the fiscal officer of the consolidated city, who shall then
 3 prepare the bonds. The seal of the unit must be impressed on the bonds,
 4 or a facsimile of the seal must be printed on the bonds.

5 (e) The bonds shall be executed by the city executive and attested
 6 by the fiscal officer. The interest coupons, if any, shall be executed by
 7 the facsimile signature of the fiscal officer.

8 (f) The bonds are exempt from taxation as provided by IC 6-8-5.

9 (g) The city fiscal officer shall sell the bonds according to law.
 10 Notwithstanding IC 36-3-5-8, bonds payable solely or in part from tax
 11 proceeds allocated under section 26(b)(2) of this chapter or other
 12 revenues of the district may be sold at private negotiated sale and at a
 13 price or prices not less than ninety-seven percent (97%) of the par
 14 value.

15 (h) The bonds are not a corporate obligation of the city but are an
 16 indebtedness of the redevelopment district. The bonds and interest are
 17 payable:

18 (1) from a special tax levied upon all of the property in the
 19 redevelopment district, as provided by section 19 of this chapter;

20 (2) from the tax proceeds allocated under section 26(b)(2) of this
 21 chapter;

22 (3) from other revenues available to the commission; or

23 (4) from a combination of the methods stated in subdivisions (1)
 24 through (3);

25 and from any revenues of the designated project. If the bonds are
 26 payable solely from the tax proceeds allocated under section 26(b)(2)
 27 of this chapter, other revenues of the redevelopment commission, or
 28 any combination of these sources, they may be issued in any amount
 29 without limitation.

30 (i) Proceeds from the sale of the bonds may be used to pay the cost
 31 of interest on the bonds for a period not to exceed five (5) years from
 32 the date of issue.

33 (j) Notwithstanding IC 36-3-5-8, the laws relating to:

34 (1) the filing of petitions requesting the issuance of bonds; and

35 (2) the right of:

36 (A) taxpayers **and voters** to remonstrate against the issuance
 37 of bonds; **or**

38 (B) voters to vote on the proposed issuance of bonds in an
 39 election on a local public question;

40 applicable to bonds issued under this chapter do not apply to bonds
 41 payable solely or in part from tax proceeds allocated under section
 42 26(b)(2) of this chapter, other revenues of the commission, or any
 43 combination of these sources.

44 (k) If bonds are issued under this chapter that are payable solely or
 45 in part from revenues to the commission from a project or projects, the
 46 commission may adopt a resolution or trust indenture or enter into
 47 covenants as is customary in the issuance of revenue bonds. The

1 resolution or trust indenture may pledge or assign the revenues from
 2 the project or projects, but may not convey or mortgage any project or
 3 parts of a project. The resolution or trust indenture may also contain
 4 any provisions for protecting and enforcing the rights and remedies of
 5 the bond owners as may be reasonable and proper and not in violation
 6 of law, including covenants setting forth the duties of the commission.
 7 The commission may establish fees and charges for the use of any
 8 project and covenant with the owners of any bonds to set those fees and
 9 charges at a rate sufficient to protect the interest of the owners of the
 10 bonds. Any revenue bonds issued by the commission that are payable
 11 solely from revenues of the commission must contain a statement to
 12 that effect in the form of bond."

13 Page 187, between lines 18 and 19, begin a new paragraph and
 14 insert:

15 "SECTION 149. IC 36-7-15.1-45, AS AMENDED BY
 16 P.L.185-2005, SECTION 45, IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 45. (a) In addition
 18 to other methods of raising money for property acquisition or
 19 redevelopment in a redevelopment project area, and in anticipation of
 20 the special tax to be levied under section 50 of this chapter, the taxes
 21 allocated under section 53 of this chapter, or other revenues of the
 22 redevelopment district, a commission may, by resolution, issue the
 23 bonds of its redevelopment district in the name of the excluded city.
 24 The amount of the bonds may not exceed the total, as estimated by the
 25 commission, of all expenses reasonably incurred in connection with the
 26 acquisition and redevelopment of the property, including:

- 27 (1) the total cost of all land, rights-of-way, and other property to
 28 be acquired and redeveloped;
- 29 (2) all reasonable and necessary architectural, engineering, legal,
 30 financing, accounting, advertising, bond discount, and
 31 supervisory expenses related to the acquisition and redevelopment
 32 of the property or the issuance of bonds;
- 33 (3) capitalized interest permitted in this chapter and a debt service
 34 reserve for the bonds, to the extent that the redevelopment
 35 commission determines that a reserve is reasonably required;
- 36 (4) the total cost of all clearing and construction work provided
 37 for in the resolution; and
- 38 (5) expenses that the commission is required or permitted to pay
 39 under IC 8-23-17.

40 (b) If a commission plans to acquire different parcels of land or let
 41 different contracts for redevelopment work at approximately the same
 42 time, whether under one (1) or more resolutions, a commission may
 43 provide for the total cost in one (1) issue of bonds.

44 (c) The bonds must be dated as set forth in the bond resolution and
 45 negotiable subject to the requirements concerning registration of the
 46 bonds. The resolution authorizing the bonds must state:

- 47 (1) the denominations of the bonds;

- 1 (2) the place or places at which the bonds are payable; and
 2 (3) the term of the bonds, which may not exceed fifty (50) years.
 3 The resolution may also state that the bonds are redeemable before
 4 maturity with or without a premium, as determined by the commission.
 5 (d) The commission shall certify a copy of the resolution authorizing
 6 the bonds to the fiscal officer of the excluded city, who shall then
 7 prepare the bonds. The seal of the unit must be impressed on the bonds,
 8 or a facsimile of the seal must be printed on the bonds.
 9 (e) The bonds shall be executed by the excluded city executive and
 10 attested by the excluded city fiscal officer. The interest coupons, if any,
 11 shall be executed by the facsimile signature of the excluded city fiscal
 12 officer.
 13 (f) The bonds are exempt from taxation as provided by IC 6-8-5.
 14 (g) The excluded city fiscal officer shall sell the bonds according to
 15 law. Bonds payable solely or in part from tax proceeds allocated under
 16 section 53(b)(2) of this chapter or other revenues of the district may be
 17 sold at private negotiated sale and at a price or prices not less than
 18 ninety-seven percent (97%) of the par value.
 19 (h) The bonds are not a corporate obligation of the excluded city but
 20 are an indebtedness of the redevelopment district. The bonds and
 21 interest are payable:
 22 (1) from a special tax levied upon all of the property in the
 23 redemption district, as provided by section 50 of this chapter;
 24 (2) from the tax proceeds allocated under section 53(b)(2) of this
 25 chapter;
 26 (3) from other revenues available to the commission; or
 27 (4) from a combination of the methods described in subdivisions
 28 (1) through (3);
 29 and from any revenues of the designated project. If the bonds are
 30 payable solely from the tax proceeds allocated under section 53(b)(2)
 31 of this chapter, other revenues of the redevelopment commission, or
 32 any combination of these sources, they may be issued in any amount
 33 without limitation.
 34 (i) Proceeds from the sale of the bonds may be used to pay the cost
 35 of interest on the bonds for a period not to exceed five (5) years from
 36 the date of issue.
 37 (j) The laws relating to:
 38 (1) the filing of petitions requesting the issuance of bonds; and
 39 (2) the right of:
 40 (A) taxpayers **and voters** to remonstrate against the issuance
 41 of bonds applicable to bonds issued under this chapter; **or**
 42 (B) voters to vote on the proposed issuance of bonds in an
 43 election on a local public question;
 44 do not apply to bonds payable solely or in part from tax proceeds
 45 allocated under section 53(b)(2) of this chapter, other revenues of the
 46 commission, or any combination of these sources.
 47 (k) If bonds are issued under this chapter that are payable solely or

1 in part from revenues to a commission from a project or projects, a
 2 commission may adopt a resolution or trust indenture or enter into
 3 covenants as is customary in the issuance of revenue bonds. The
 4 resolution or trust indenture may pledge or assign the revenues from
 5 the project or projects but may not convey or mortgage any project or
 6 parts of a project. The resolution or trust indenture may also contain
 7 any provisions for protecting and enforcing the rights and remedies of
 8 the bond owners as may be reasonable and proper and not in violation
 9 of law, including covenants setting forth the duties of the commission.
 10 The commission may establish fees and charges for the use of any
 11 project and covenant with the owners of bonds to set those fees and
 12 charges at a rate sufficient to protect the interest of the owners of the
 13 bonds. Any revenue bonds issued by the commission that are payable
 14 solely from revenues of the commission must contain a statement to
 15 that effect in the form of bond.

16 SECTION 30. IC 36-7-30-18 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) In addition
 18 to other methods of raising money for property acquisition,
 19 redevelopment, or economic development activities in or directly
 20 serving or benefiting a military base reuse area, and in anticipation of
 21 the taxes allocated under section 25 of this chapter, other revenues of
 22 the district, or any combination of these sources, the reuse authority
 23 may by resolution issue the bonds of the special taxing district in the
 24 name of the unit.

25 (b) The reuse authority shall certify a copy of the resolution
 26 authorizing the bonds to the municipal or county fiscal officer, who
 27 shall then prepare the bonds. The seal of the unit must be impressed on
 28 the bonds, or a facsimile of the seal must be printed on the bonds.

29 (c) The bonds must be executed by the appropriate officer of the
 30 unit, and attested by the unit's fiscal officer.

31 (d) The bonds are exempt from taxation for all purposes.

32 (e) Bonds issued under this section may be sold at public sale in
 33 accordance with IC 5-1-11 or at a negotiated sale.

34 (f) The bonds are not a corporate obligation of the unit but are an
 35 indebtedness of the taxing district. The bonds and interest are payable,
 36 as set forth in the bond resolution of the reuse authority, from any of
 37 the following:

- 38 (1) The tax proceeds allocated under section 25 of this chapter.
- 39 (2) Other revenues available to the reuse authority.
- 40 (3) A combination of the methods stated in subdivisions (1)
 41 through (2).

42 If the bonds are payable solely from the tax proceeds allocated under
 43 section 25 of this chapter, other revenues of the reuse authority, or any
 44 combination of these sources, the bonds may be issued in any amount
 45 without limitation.

46 (g) Proceeds from the sale of bonds may be used to pay the cost of
 47 interest on the bonds for a period not to exceed five (5) years after the

- 1 date of issuance.
- 2 (h) All laws relating to:
- 3 (1) the filing of petitions requesting the issuance of bonds; and
- 4 (2) the right of:
- 5 (A) taxpayers **and voters** to remonstrate against the issuance
- 6 of bonds; **or**
- 7 (B) **voters to vote on the proposed issuance of bonds in an**
- 8 **election on a local public question;**
- 9 do not apply to bonds issued under this chapter.
- 10 (i) If a debt service reserve is created from the proceeds of bonds,
- 11 the debt service reserve may be used to pay principal and interest on
- 12 the bonds as provided in the bond resolution.
- 13 (j) If bonds are issued under this chapter that are payable solely or
- 14 in part from revenues of the reuse authority, the reuse authority may
- 15 adopt a resolution or trust indenture or enter into covenants as is
- 16 customary in the issuance of revenue bonds. The resolution or trust
- 17 indenture may pledge or assign revenues of the reuse authority and
- 18 properties becoming available to the reuse authority under this chapter.
- 19 The resolution or trust indenture may also contain provisions for
- 20 protecting and enforcing the rights and remedies of the bond owners as
- 21 may be reasonable and proper and not in violation of law, including a
- 22 covenant setting forth the duties of the reuse authority. The reuse
- 23 authority may establish fees and charges for the use of any project and
- 24 covenant with the owners of any bonds to set the fees and charges at a
- 25 rate sufficient to protect the interest of the owners of the bonds.
- 26 Revenue bonds issued by the reuse authority that are payable solely
- 27 from revenues of the reuse authority shall contain a statement to that
- 28 effect in the form of the bond.
- 29 SECTION 31. IC 36-7-30.5-23, AS ADDED BY P.L.203-2005,
- 30 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 31 UPON PASSAGE]: Sec. 23. (a) In addition to other methods of raising
- 32 money for property acquisition, redevelopment, reuse, or economic
- 33 development activities in or directly serving or ~~benefitting~~ **benefitting**
- 34 a military base development area, and in anticipation of the taxes
- 35 allocated under section 30 of this chapter, other revenues of the district,
- 36 or any combination of these sources, the development authority may by
- 37 resolution issue the bonds of the development authority.
- 38 (b) The secretary-treasurer of the development authority shall
- 39 prepare the bonds. The seal of the development authority must be
- 40 impressed on the bonds, or a facsimile of the seal must be printed on
- 41 the bonds.
- 42 (c) The bonds must be executed by the president of the development
- 43 authority and attested by the secretary-treasurer.
- 44 (d) The bonds are exempt from taxation for all purposes.
- 45 (e) Bonds issued under this section may be sold at public sale in
- 46 accordance with IC 5-1-11 or at a negotiated sale.
- 47 (f) The bonds are not a corporate obligation of a unit but are an

1 indebtedness of only the development authority. The bonds and interest
2 are payable, as set forth in the bond resolution of the development
3 authority, from any of the following:

- 4 (1) The tax proceeds allocated under section 30 of this chapter.
- 5 (2) Other revenues available to the development authority.
- 6 (3) A combination of the methods stated in subdivisions (1)
7 through (2).

8 The bonds issued under this section may be issued in any amount
9 without limitation.

10 (g) Proceeds from the sale of bonds may be used to pay the cost of
11 interest on the bonds for a period not to exceed five (5) years after the
12 date of issuance.

13 (h) All laws relating to:

- 14 (1) the filing of petitions requesting the issuance of bonds; and
- 15 (2) the right of:
 - 16 (A) taxpayers **and voters** to remonstrate against the issuance
17 of bonds; **or**
 - 18 (B) **voters to vote on the proposed issuance of bonds in an**
19 **election on a local public question;**

20 do not apply to bonds issued under this chapter.

21 (i) If a debt service reserve is created from the proceeds of bonds,
22 the debt service reserve may be used to pay principal and interest on
23 the bonds as provided in the bond resolution.

24 (j) If bonds are issued under this chapter that are payable solely or
25 in part from revenues of the development authority, the development
26 authority may adopt a resolution or trust indenture or enter into
27 covenants as is customary in the issuance of revenue bonds. The
28 resolution or trust indenture may pledge or assign revenues of the
29 development authority and properties becoming available to the
30 development authority under this chapter. The resolution or trust
31 indenture may also contain provisions for protecting and enforcing the
32 rights and remedies of the bond owners as may be reasonable and
33 proper and not in violation of law, including a covenant setting forth
34 the duties of the development authority. The development authority
35 may establish fees and charges for the use of any project and covenant
36 with the owners of any bonds to set the fees and charges at a rate
37 sufficient to protect the interest of the owners of the bonds. Revenue
38 bonds issued by the development authority that are payable solely from
39 revenues of the development authority shall contain a statement to that
40 effect in the form of the bond."

41 Page 196, between lines 37 and 38, begin a new paragraph and
42 insert:

43 "SECTION 32. IC 36-9-3-31 IS AMENDED TO READ AS
44 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31. (a) This section
45 applies to an authority that includes a county having a population of
46 more than four hundred thousand (400,000) but less than seven
47 hundred thousand (700,000).

1 (b) The authority may issue revenue or general obligation bonds
2 under this section.

3 (c) The board may issue revenue bonds of the authority for the
4 purpose of procuring money to pay the cost of acquiring real or
5 personal property for the purpose of this chapter. The issuance of bonds
6 must be authorized by resolution of the board and approved by the
7 county fiscal bodies of the counties in the authority before issuance.
8 The resolution must provide for the amount, terms, and tenor of the
9 bonds, and for the time and character of notice and mode of making
10 sale of the bonds.

11 (d) The bonds are payable at the times and places determined by the
12 board, but they may not run more than thirty (30) years after the date
13 of their issuance and must be executed in the name of the authority by
14 an authorized officer of the board and attested by the secretary. The
15 interest coupons attached to the bonds may be executed by placing on
16 them the facsimile signature of the authorized officer of the board.

17 (e) The president of the authority shall manage and supervise the
18 preparation, advertisement, and sale of the bonds, subject to the
19 authorizing ordinance. Before the sale of bonds, the president shall
20 cause notice of the sale to be published in accordance with IC 5-3-1,
21 setting out the time and place where bids will be received, the amount
22 and maturity dates of the issue, the maximum interest rate, and the
23 terms and conditions of sale and delivery of the bonds. The bonds shall
24 be sold in accordance with IC 5-1-11. After the bonds have been
25 properly sold and executed, the executive director or president shall
26 deliver them to the controller of the authority and take a receipt for
27 them, and shall certify to the treasurer the amount that the purchaser is
28 to pay, together with the name and address of the purchaser. On
29 payment of the purchase price, the controller shall deliver the bonds to
30 the purchaser, and the controller and executive director or president
31 shall report their actions to the board.

32 (f) General obligation bonds issued under this section are subject to
33 the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following:**

34 (1) The filing of a petition requesting the issuance of bonds.

35 (2) The appropriation of the proceeds of bonds.

36 (3) The right of taxpayers to appeal and be heard on the proposed
37 appropriation.

38 (4) The approval of the appropriation by the department of local
39 government finance.

40 (5) The right of:

41 (A) taxpayers **and voters** to remonstrate against the issuance
42 of bonds; ~~and~~ **or**

43 (B) voters to vote on the proposed issuance of bonds in an
44 election on a local public question.

45 (6) The sale of bonds for not less than their par value.

46 (g) Notice of the filing of a petition requesting the issuance of
47 bonds, notice of determination to issue bonds, and notice of the

1 appropriation of the proceeds of the bonds shall be given by posting in
2 the offices of the authority for a period of one (1) week and by
3 publication in accordance with IC 5-3-1.

4 (h) The bonds are not a corporate indebtedness of any unit, but are
5 an indebtedness of the authority as a municipal corporation. A suit to
6 question the validity of the bonds issued or to prevent their issuance
7 may not be instituted after the date set for sale of the bonds, and after
8 that date the bonds may not be contested for any cause.

9 (i) The bonds issued under this section and the interest on them are
10 exempt from taxation for all purposes except the financial institutions
11 tax imposed under IC 6-5.5 or a state inheritance tax imposed under
12 IC 6-4.1.

13 SECTION 33. IC 36-9-4-45 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 45. (a) Bonds
15 issued under this chapter:

16 (1) shall be issued in the denomination;

17 (2) are payable over a period not to exceed thirty (30) years from
18 the date of the bonds; and

19 (3) mature;

20 as determined by the ordinance authorizing the bond issue.

21 (b) All bonds issued under this chapter, the interest on them, and the
22 income from them are exempt from taxation to the extent provided by
23 IC 6-8-5-1.

24 (c) The provisions of IC 6-1.1-20 relating to:

25 (1) filing petitions requesting the issuance of bonds and giving
26 notice of those petitions;

27 (2) giving notice of a hearing on the appropriation of the proceeds
28 of the bonds;

29 (3) the right of taxpayers to appear and be heard on the proposed
30 appropriation;

31 (4) the approval of the appropriation by the department of local
32 government finance; and

33 (5) the right of:

34 (A) taxpayers **and voters** to remonstrate against the issuance
35 of bonds; **or**

36 (B) voters to vote on the proposed issuance of bonds in an
37 election on a local public question;

38 apply to the issuance of bonds under this chapter.

39 (d) A suit to question the validity of bonds issued under this chapter
40 or to prevent their issue and sale may not be instituted after the date set
41 for the sale of the bonds, and the bonds are incontestable after that
42 date."

43 Page 198, between lines 28 and 29, begin a new paragraph and
44 insert:

45 "SECTION 160. IC 36-10-3-24 IS AMENDED TO READ AS
46 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 24. (a) In order to
47 raise money to pay for land to be acquired for any of the purposes

1 named in this chapter, to pay for an improvement authorized by this
 2 chapter, or both, and in anticipation of the special benefit tax to be
 3 levied as provided in this chapter, the board shall cause to be issued, in
 4 the name of the unit, the bonds of the district. The bonds may not
 5 exceed in amount the total cost of all land to be acquired and all
 6 improvements described in the resolution, including all expenses
 7 necessarily incurred in connection with the proceedings, together with
 8 a sum sufficient to pay the costs of supervision and inspection during
 9 the period of construction of a work. The expenses to be covered in the
 10 bond issue include all expenses of every kind actually incurred
 11 preliminary to acquiring the land and the construction of the work, such
 12 as the cost of the necessary record, engineering expenses, publication
 13 of notices, preparation of bonds, and other necessary expenses. If more
 14 than one (1) resolution or proceeding of the board under section 23 of
 15 this chapter is confirmed whereby different parcels of land are to be
 16 acquired, or more than one (1) contract for work is let by the board at
 17 approximately the same time, the cost involved under all of the
 18 resolutions and proceedings may be included in one (1) issue of bonds.

19 (b) The bonds may be issued in any denomination not less than one
 20 thousand dollars (\$1,000) each, in not less than five (5) nor more than
 21 forty (40) annual series. The bonds are payable one (1) series each
 22 year, beginning at a date after the receipt of taxes from a levy made for
 23 that purpose. The bonds are negotiable. The bonds may bear interest at
 24 any rate, payable semiannually. After adopting a resolution ordering
 25 bonds, the board shall certify a copy of the resolution to the unit's fiscal
 26 officer. The fiscal officer shall prepare the bonds, and the unit's
 27 executive shall execute them, attested by the fiscal officer.

28 (c) The bonds and the interest on them are exempt from taxation as
 29 prescribed by IC 6-8-5-1. Bonds issued under this section are subject
 30 to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

- 31 (1) the filing of a petition requesting the issuance of bonds;
 32 (2) the right of:
 33 (A) taxpayers **and voters** to remonstrate against the issuance
 34 of bonds; **or**
 35 (B) **voters to vote on the proposed issuance of bonds in an**
 36 **election on a local public question;**
 37 (3) the appropriation of the proceeds of the bonds and approval by
 38 the department of local government finance; and
 39 (4) the sale of bonds at public sale for not less than their par
 40 value.

41 (d) The board may not have bonds of the district issued under this
 42 section that are payable by special taxation when the total issue for that
 43 purpose, including the bonds already issued or to be issued, exceeds
 44 two percent (2%) of the adjusted value of the taxable property in the
 45 district as determined under IC 36-1-15. All bonds or obligations
 46 issued in violation of this subsection are void. The bonds are not
 47 obligations or indebtedness of the unit, but constitute an indebtedness

1 of the district as a special taxing district. The bonds and interest are
 2 payable only out of a special tax levied upon all the property of the
 3 district as prescribed by this chapter. The bonds must recite the terms
 4 upon their face, together with the purposes for which they are issued.

5 SECTION 35. IC 36-10-4-35 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 35. (a) In order to
 7 pay for:

- 8 (1) land to be acquired for any of the purposes of this chapter;
- 9 (2) an improvement authorized by this chapter; or
- 10 (3) both;

11 the board shall issue the bonds of the district in the name of the city in
 12 anticipation of the special benefits tax to be levied under this chapter.
 13 The amount of the bonds may not exceed the estimated cost of all land
 14 to be acquired and the estimated cost of all improvements provided in
 15 the resolution, including all expenses necessarily incurred in the
 16 proceedings and a sum sufficient to pay the estimated costs of
 17 supervision and inspection during the period of construction. Expenses
 18 include all expenses actually incurred preliminary to acquisition of the
 19 land and the construction work, such as the estimated cost of the
 20 necessary record, engineering expenses, publication of notices,
 21 preparation of bonds, and other expenses necessary to letting the
 22 contract and selling the bonds.

23 (b) The total amount of any benefits that have been assessed by the
 24 board and confirmed against lots and parcels of land, exclusive of
 25 improvements, lying within two thousand (2,000) feet on either side of
 26 the land to be acquired or of the improvement, however, shall be
 27 deducted from the estimated cost.

28 (c) If more than one (1) resolution or proceeding of the board under
 29 section 25 of this chapter is confirmed whereby different parcels of
 30 land are to be acquired or more than one (1) contract for work is let by
 31 the board at approximately the same time, the estimated cost involved
 32 under all of the resolutions and proceedings may be contained in one
 33 (1) issue of bonds.

34 (d) The bonds shall be issued in any denomination up to five
 35 thousand dollars (\$5,000) each. The bonds are negotiable instruments
 36 and bear interest at a rate established by the board and approved by the
 37 city legislative body.

38 (e) After adopting a resolution ordering the bonds, the board shall
 39 certify a copy of the resolution to the fiscal officer of the city. The
 40 fiscal officer shall then prepare the bonds, which shall be executed by
 41 the city executive and attested by the fiscal officer. The bonds are
 42 exempt from taxation for all purposes and are subject to IC 6-1.1-20
 43 concerning:

- 44 (1) the filing of a petition requesting the issuance of bonds; and
- 45 (2) the right of:
 - 46 (A) taxpayers **and voters** to remonstrate against the issuance
 - 47 of bonds; **or**

1 **(B) voters to vote on the proposed issuance of bonds in an**
 2 **election on a local public question.**

3 (f) All bonds shall be sold at not less than par value plus accrued
 4 interest to date of delivery by the city fiscal officer to the highest bidder
 5 after giving notice of the sale of the bonds by publication in accordance
 6 with IC 5-3-1.

7 (g) The bonds are subject to approval by the city legislative body,
 8 in the manner it prescribes by ordinance or resolution.

9 (h) The bonds are not corporate obligations or indebtedness of the
 10 city, but are an indebtedness of the district as a special taxing district.
 11 The bonds and interest are payable only out of a special tax levied upon
 12 all property of the district. The bonds must recite these terms upon their
 13 face, together with the purposes for which they are issued.

14 (i) An action to question the validity of bonds of the district or to
 15 prevent their issue may not be brought after the date set for the sale of
 16 the bonds.

17 (j) The board may, instead of selling the bonds in series, sell the
 18 bonds to run for a period of five (5) years from the date of issue for the
 19 purposes of this chapter at any rate of interest payable semiannually,
 20 also exempt from taxation for all purposes. The board may sell bonds
 21 in series to refund the five (5) year bonds.

22 SECTION 36. IC 36-10-7.5-22 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. (a) To raise
 24 money to pay for land to be acquired for any of the purposes named in
 25 this chapter or to pay for an improvement authorized by this chapter
 26 and in anticipation of the special benefit tax to be levied as provided in
 27 this chapter, the legislative body shall issue in the name of the
 28 township the bonds of the district. The bonds may not exceed in
 29 amount the total cost of all land to be acquired and all improvements
 30 described in the resolution, including all expenses necessarily incurred
 31 in connection with the proceedings, together with a sum sufficient to
 32 pay the costs of supervision and inspection during the period of
 33 construction of a work. The expenses to be covered in the bond issue
 34 include all expenses of every kind actually incurred preliminary to
 35 acquiring the land and the construction of the work, such as the cost of
 36 the necessary record, engineering expenses, publication of notices,
 37 preparation of bonds, and other necessary expenses. If more than one
 38 (1) resolution or proceeding of the legislative body under this chapter
 39 is confirmed whereby different parcels of land are to be acquired or
 40 more than one (1) contract for work is let by the executive at
 41 approximately the same time, the cost involved under all of the
 42 resolutions and proceedings may be included in one (1) issue of bonds.

43 (b) The bonds may be issued in any denomination not less than one
 44 thousand dollars (\$1,000) each, in not less than five (5) nor more than
 45 forty (40) annual series. The bonds are payable one (1) series each
 46 year, beginning at a date after the receipt of taxes from a levy made for
 47 that purpose. The bonds are negotiable. The bonds may bear interest at

1 any rate, payable semiannually. After adopting a resolution ordering
 2 bonds, the legislative body shall certify a copy of the resolution to the
 3 township's fiscal officer. The fiscal officer shall prepare the bonds, and
 4 the executive shall execute the bonds, attested by the fiscal officer.

5 (c) The bonds and the interest on the bonds are exempt from
 6 taxation as prescribed by IC 6-8-5-1. Bonds issued under this section
 7 are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

8 (1) the filing of a petition requesting the issuance of bonds;

9 (2) the right of:

10 (A) taxpayers **and voters** to remonstrate against the issuance
 11 of bonds; **or**

12 (B) **voters to vote on the proposed issuance of bonds in an**
 13 **election on a local public question;**

14 (3) the appropriation of the proceeds of the bonds with the
 15 approval of the department of local government finance; and

16 (4) the sale of bonds at public sale for not less than the par value
 17 of the bonds.

18 (d) The legislative body may not have bonds of the district issued
 19 under this section that are payable by special taxation when the total
 20 issue for that purpose, including the bonds already issued or to be
 21 issued, exceeds two percent (2%) of the total adjusted value of the
 22 taxable property in the district as determined under IC 36-1-15. All
 23 bonds or obligations issued in violation of this subsection are void. The
 24 bonds are not obligations or indebtedness of the township but constitute
 25 an indebtedness of the district as a special taxing district. The bonds
 26 and interest are payable only out of a special tax levied upon all the
 27 property of the district as prescribed by this chapter. A bond must
 28 recite the terms upon the face of the bond, together with the purposes
 29 for which the bond is issued.

30 SECTION 37. IC 36-10-8-16 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) A capital
 32 improvement may be financed in whole or in part by the issuance of
 33 general obligation bonds of the county or, if the authority was created
 34 under IC 18-7-18 (before its repeal on February 24, 1982), also of the
 35 city, if the board determines that the estimated annual net income of the
 36 capital improvement, plus the estimated annual tax revenues to be
 37 derived from any tax revenues made available for this purpose, will not
 38 be sufficient to satisfy and pay the principal of and interest on all bonds
 39 issued under this chapter, including the bonds then proposed to be
 40 issued.

41 (b) If the board desires to finance a capital improvement in whole
 42 or in part as provided in this section, it shall have prepared a resolution
 43 to be adopted by the county executive authorizing the issuance of
 44 general obligation bonds, or, if the authority was created under
 45 IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body
 46 of the city authorizing the issuance of general obligation bonds. The
 47 resolution must set forth an itemization of the funds and assets received

1 by the board, together with the board's valuation and certification of the
 2 cost. The resolution must state the date or dates on which the principal
 3 of the bonds is payable, the maximum interest rate to be paid, and the
 4 other terms upon which the bonds shall be issued. The board shall
 5 submit the proposed resolution to the proper officers, together with a
 6 certificate to the effect that the issuance of bonds in accordance with
 7 the resolution will be in compliance with this section. The certificate
 8 must also state the estimated annual net income of the capital
 9 improvement to be financed by the bonds, the estimated annual tax
 10 revenues, and the maximum amount payable in any year as principal
 11 and interest on the bonds issued under this chapter, including the bonds
 12 proposed to be issued, ~~as at~~ the maximum interest rate set forth in the
 13 resolution. The bonds issued may mature over a period not exceeding
 14 forty (40) years from the date of issue.

15 (c) Upon receipt of the resolution and certificate, the proper officers
 16 may adopt them and take all action necessary to issue the bonds in
 17 accordance with the resolution. An action to contest the validity of
 18 bonds issued under this section may not be brought after the fifteenth
 19 day following the receipt of bids for the bonds.

20 (d) The provisions of all general statutes relating to:

21 (1) the filing of a petition requesting the issuance of bonds and
 22 giving notice;

23 (2) the right of:

24 (A) taxpayers **and voters** to remonstrate against the issuance
 25 of bonds; **or**

26 (B) **voters to vote on the proposed issuance of bonds in an**
 27 **election on a local public question;**

28 (3) the giving of notice of the determination to issue bonds;

29 (4) the giving of notice of a hearing on the appropriation of the
 30 proceeds of bonds;

31 (5) the right of taxpayers to appear and be heard on the proposed
 32 appropriation;

33 (6) the approval of the appropriation by the department of local
 34 government finance; and

35 (7) the sale of bonds at public sale;

36 apply to the issuance of bonds under this section.

37 SECTION 38. IC 36-10-9-15 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) A capital
 39 improvement may be financed in whole or in part by the issuance of
 40 general obligation bonds of the county.

41 (b) If the board desires to finance a capital improvement in whole
 42 or in part as provided in this section, it shall have prepared a resolution
 43 to be adopted by the board of commissioners of the county authorizing
 44 the issuance of general obligation bonds. The resolution must state the
 45 date or dates on which the principal of the bonds is payable, the
 46 maximum interest rate to be paid, and the other terms upon which the
 47 bonds shall be issued. The board shall submit the proposed resolution

1 to the board of commissioners of the county, together with a certificate
 2 to the effect that the issuance of bonds in accordance with the
 3 resolution will be in compliance with this section. The certificate must
 4 also state the estimated annual net income of the capital improvement
 5 to be financed by the bonds, the estimated annual tax revenues, and the
 6 maximum amount payable in any year as principal and interest on the
 7 bonds issued under this chapter, including the bonds proposed to be
 8 issued, at the maximum interest rate set forth in the resolution. The
 9 bonds issued may mature over a period not exceeding forty (40) years
 10 from the date of issue.

11 (c) Upon receipt of the resolution and certificate, the board of
 12 commissioners of the county may adopt them and take all action
 13 necessary to issue the bonds in accordance with the resolution. An
 14 action to contest the validity of bonds issued under this section may not
 15 be brought after the fifteenth day following the receipt of bids for the
 16 bonds.

17 (d) The provisions of all general statutes relating to:
 18 (1) the filing of a petition requesting the issuance of bonds and
 19 giving notice;
 20 (2) the right of:
 21 (A) taxpayers **and voters** to remonstrate against the issuance
 22 of bonds; **or**
 23 (B) **voters to vote on the proposed issuance of bonds in an**
 24 **election on a local public question;**
 25 (3) the giving of notice of the determination to issue bonds;
 26 (4) the giving of notice of a hearing on the appropriation of the
 27 proceeds of bonds;
 28 (5) the right of taxpayers to appear and be heard on the proposed
 29 appropriation;
 30 (6) the approval of the appropriation by the department of local
 31 government finance; and
 32 (7) the sale of bonds at public sale for not less than par value;
 33 are applicable to the issuance of bonds under this section."

34 Page 203, between lines 4 and 5, begin a new paragraph and insert:
 35 "SECTION 172. [EFFECTIVE UPON PASSAGE]
 36 **Notwithstanding any other law, including any law enacted during**
 37 **the 2007 regular session of the general assembly, no money may be**

1 **distributed from the property tax elimination fund established by**
2 **IC 4-10-22-4 until after the date on which taxing units (as defined**
3 **in IC 6-1.1-1-21) are prohibited from imposing ad valorem**
4 **property taxes."**

5 Renumber all SECTIONS consecutively.
(Reference is to EHB 1478 as printed April 6, 2007.)

Senator DELPH