

# COMMITTEE REPORT

## MADAM PRESIDENT:

**The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 18, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:**

- 1           Page 2, delete lines 27 through 34, begin a new paragraph and
- 2           insert:
- 3           **"(i) "Local issuing body" means an issuing body that is:**
- 4                 **(1) a political subdivision (as defined in IC 36-1-2-13);**
- 5                 **(2) a district (as defined in IC 6-1.1-21.2-5); or**
- 6                 **(3) a corporation or other entity that:**
- 7                         **(A) is not a body corporate and politic established as an**
- 8                         **instrumentality of the state; and**
- 9                         **(B) has issued bonds that are payable directly or indirectly**
- 10                        **from lease rentals payable by a political subdivision or**
- 11                        **district described in subdivision (1) or (2)."**
- 12           Page 2, line 39, after "(2)" insert "are".
- 13           Page 3, delete lines 20 through 42.
- 14           Page 4, delete lines 1 through 12.
- 15           Page 4, line 18, delete "incentive" and insert "**increment**".
- 16           Page 4, line 34, delete "incentive" and insert "**increment**".
- 17           Page 4, after line 42, begin a new line block indented and insert:
- 18                 **"(1) To maintain a debt service reserve fund for the refunding**
- 19                 **bonds at the level required under the terms of the refunding**
- 20                 **bonds, if the local issuing body adopts an ordinance,**
- 21                 **resolution, or order authorizing that use of the proceeds or**

- 1           **earnings."**
- 2           Page 5, line 1, delete "(1)" and insert "**(2)**".
- 3           Page 5, line 6, delete "(2)" and insert "**(3)**".
- 4           Page 5, line 7, delete "incentive" and insert "**increment**".
- 5           Page 5, line 20, delete "incentive" and insert "**increment**".
- 6           Page 6, between lines 3 and 4, begin a new line block indented and
- 7           insert:
- 8           **"(1) To maintain a debt service reserve fund for the bonds to**
- 9           **which the surplus bond proceeds or investment earnings are**
- 10           **attributable, at the level required under the terms of the**
- 11           **bonds, if the local issuing body adopts an ordinance,**
- 12           **resolution, or order authorizing that use of the proceeds or**
- 13           **earnings."**
- 14           Page 6, line 4, delete "(1)" and insert "**(2)**".
- 15           Page 6, line 8, delete "(2)" and insert "**(3)**".
- 16           Page 6, line 9, delete "incentive" and insert "**increment**".
- 17           Page 6, line 13, delete "incentive" and insert "**increment**".
- 18           Page 6, line 32, delete "incentive" and insert "**increment**".
- 19           Page 6, line 39, delete "Notwithstanding" and insert "**Except as**
- 20           **otherwise provided by subsection (c), and notwithstanding"**.
- 21           Page 7, line 1, delete "if the obligations were issued before July 1,
- 22           2008,".
- 23           Page 7, line 2, reset in roman "is".
- 24           Page 7, line 2, delete "was".
- 25           Page 7, line 2, reset in roman "any other".
- 26           Page 7, line 2, delete "another".
- 27           Page 7, line 2, after "statute" insert ".".
- 28           Page 7, delete line 3, begin a new paragraph and insert:
- 29           **"(c) This subsection applies to obligations issued after June 30,**
- 30           **2008, that are wholly or partially payable from ad valorem**
- 31           **property taxes, special benefit taxes on property, or tax increment**
- 32           **revenues derived from property taxes. Notwithstanding any other**
- 33           **law, an issuer may use proceeds of the issuer's obligations to pay**
- 34           **interest on the obligations for a period not to exceed:**
- 35           **(1) five (5) years from the date of issuance of the obligations,**
- 36           **for obligations wholly or partially payable from tax increment**
- 37           **revenues derived from property taxes; or**
- 38           **(2) two (2) years from the date of issuance, for obligations**

1           **wholly or partially payable from ad valorem property taxes**  
 2           **or special benefit taxes on property."**

3           Page 7, line 4, strike "(c)" and insert "(d)".

4           Page 7, line 19, after "obligations" insert "**issued after June 30,**  
 5           **2008, that are wholly or partially payable from ad valorem**  
 6           **property taxes, special benefit taxes on property, or tax increment**  
 7           **revenues derived from property taxes"**.

8           Page 7, delete lines 20 through 23, begin a new line block indented  
 9           and insert:

10           **"(1) the maximum applicable period under federal law, for**  
 11           **obligations that are issued to evidence loans made or**  
 12           **guaranteed by the federal government or a federal agency;**  
 13           **(2) twenty-five (25) years, for obligations that are wholly or**  
 14           **partially payable from tax increment revenues derived from**  
 15           **property taxes; or**  
 16           **(3) twenty (20) years, for obligations that are not described in**  
 17           **subdivision (1) or (2) and are wholly or partially payable from**  
 18           **ad valorem property taxes or special benefit taxes on**  
 19           **property."**

20           Page 7, line 29, delete "incentive" and insert "**increment**".

21           Page 7, line 35, delete "(d)" and insert "(b)".

22           Page 8, line 1, after "to" insert ":".

23           Page 8, line 1, before "maintain" begin a new line double block  
 24           indented and insert:

25           **"(A)".**

26           Page 8, line 3, delete "." and insert ";".

27           Page 8, between lines 3 and 4, begin a new line double block  
 28           indented and insert:

29           **"(B) provide for the payment of principal on the**  
 30           **obligations in amounts and at intervals that will produce**  
 31           **an aggregate amount of principal payments greater than**  
 32           **or equal to the aggregate amount that would otherwise be**  
 33           **paid as of the same date; or**

34           **(C) with respect to obligations wholly or partially payable**  
 35           **from tax increment revenues derived from property taxes,**  
 36           **provide for the payment of principal and interest in**  
 37           **varying amounts over the term of the obligations as**  
 38           **necessary due to the variation in the amount of tax**

**increment revenues available for those payments.**

SECTION 11. IC 5-1-16-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 42. (a) When the authority, the board of trustees or board of managers of the hospital, the board of commissioners of the county, and a majority of the county council have agreed upon the terms and conditions of any lease proposed to be entered into under section 38 or 39 of this chapter, and before the final execution of the lease, the county auditor shall give notice by publication of a public hearing to be held in the county by the board of commissioners. The hearing shall take place on a day not earlier than ten (10) days after the publication of the notice. The notice of the hearing shall be published one (1) time in a newspaper of general circulation printed in the English language and published in the county.

The notice shall do the following:

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

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

(b) If the execution of the lease as originally agreed upon or as modified by agreement is authorized, notice of the signing of the lease shall be given on behalf of the county by publication one (1) time in a

1 newspaper of general circulation printed in the English language and  
 2 published in the county. Except as provided in subsection (d), ten (10)  
 3 or more taxpayers in the county whose tax rate will be affected by the  
 4 proposed lease and who may be of the opinion that no necessity exists  
 5 for the execution of the lease or that the lease rental under the lease is  
 6 not fair and reasonable may file a petition in the office of the county  
 7 auditor within thirty (30) days after publication of notice of the  
 8 execution of the lease that sets forth the taxpayers' objections and facts  
 9 supporting those objections. Upon the filing of a petition, the county  
 10 auditor shall immediately certify a copy of the petition together with  
 11 such other data as may be necessary in order to present the questions  
 12 involved to the department of local government finance. Upon receipt  
 13 of the certified petition and information, the department of local  
 14 government finance shall fix a time and place in the affected county for  
 15 the hearing of the matter that is not less than five (5) or more than  
 16 fifteen (15) days after receipt. Notice of the hearing shall be given by  
 17 the department of local government finance to the board of county  
 18 commissioners and to the first ten (10) taxpayer petitioners upon the  
 19 petition by certified mail sent to the addresses listed on the petition at  
 20 least five (5) days before the date of the hearing.

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

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

32 SECTION 12. IC 6-1.1-18-3, AS AMENDED BY P.L.224-2007,  
 33 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JULY 1, 2008]: Sec. 3. (a) Except as provided in subsection (b), the  
 35 sum of all tax rates for all political subdivisions imposed on tangible  
 36 property within a political subdivision may not exceed:

37 (1) forty-one and sixty-seven hundredths cents (\$0.4167) on each  
 38 one hundred dollars (\$100) of assessed valuation in territory

1 outside the corporate limits of a city or town; or  
 2 (2) sixty-six and sixty-seven hundredths cents (\$0.6667) on each  
 3 one hundred dollars (\$100) of assessed valuation in territory  
 4 inside the corporate limits of a city or town.

5 (b) The proper officers of a political subdivision shall fix tax rates  
 6 which are sufficient to provide funds for the purposes itemized in this  
 7 subsection. The portion of a tax rate fixed by a political subdivision  
 8 shall not be considered in computing the tax rate limits prescribed in  
 9 subsection (a) if that portion is to be used for one (1) of the following  
 10 purposes:

11 (1) To pay the principal or interest on a funding, refunding, or  
 12 judgment funding obligation of the political subdivision.

13 (2) To pay the principal or interest on an outstanding obligation  
 14 issued by the political subdivision if notice of the sale of the  
 15 obligation was published before March 9, 1937.

16 (3) To pay the principal or interest upon:

17 (A) an obligation issued by the political subdivision to meet an  
 18 emergency which results from a flood, fire, pestilence, war, or  
 19 any other major disaster; or

20 (B) a note issued under IC 36-2-6-18, IC 36-3-4-22,  
 21 IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county  
 22 to acquire necessary equipment or facilities for municipal or  
 23 county government.

24 (4) To pay the principal or interest upon an obligation issued in  
 25 the manner provided in:

26 (A) IC 6-1.1-20-3 (before its repeal); **or**

27 (B) IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2; **or**

28 (C) **IC 6-1.1-20-3.5 through IC 6-1.1-20-3.6.**

29 (5) To pay a judgment rendered against the political subdivision.

30 (6) To meet the requirements of the family and children's fund for  
 31 child services (as defined in IC 12-19-7-1).

32 (7) To meet the requirements of the county hospital care for the  
 33 indigent fund.

34 (8) To meet the requirements of the children's psychiatric  
 35 residential treatment services fund for children's psychiatric  
 36 residential treatment services (as defined in IC 12-19-7.5-1).

37 (c) Except as otherwise provided in IC 6-1.1-19, IC 6-1.1-18.5,  
 38 IC 20-45, or IC 20-46, a county board of tax adjustment (before

1 January 1, 2009), a county board of tax and capital projects review  
 2 (after December 31, 2008), a county auditor, or the department of local  
 3 government finance may review the portion of a tax rate described in  
 4 subsection (b) only to determine if it exceeds the portion actually  
 5 needed to provide for one (1) of the purposes itemized in that  
 6 subsection.

7 SECTION 13. IC 6-1.1-18.5-8, AS AMENDED BY P.L.224-2007,  
 8 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 JULY 1, 2008]: Sec. 8. (a) The ad valorem property tax levy limits  
 10 imposed by section 3 of this chapter do not apply to ad valorem  
 11 property taxes imposed by a civil taxing unit if the civil taxing unit is  
 12 committed to levy the taxes to pay or fund either:

- 13 (1) bonded indebtedness; or  
 14 (2) lease rentals under a lease with an original term of at least five  
 15 (5) years.

16 (b) This subsection does not apply to bonded indebtedness incurred  
 17 or leases executed for a capital project approved by a county board of  
 18 tax and capital projects review under IC 6-1.1-29.5 after December 31,  
 19 2008. A civil taxing unit must file a petition requesting approval from  
 20 the department of local government finance to incur bonded  
 21 indebtedness or execute a lease with an original term of at least five (5)  
 22 years not later than twenty-four (24) months after the first date of  
 23 publication of notice of a preliminary determination under  
 24 ~~IC 6-1.1-20-3.1(2)~~, **IC 6-1.1-20-3.1(c)(2) or IC 6-1.1-20-3.5(b)(2),**  
 25 **whichever is applicable**, unless the civil taxing unit demonstrates that  
 26 a longer period is reasonable in light of the civil taxing unit's facts and  
 27 circumstances. A civil taxing unit must obtain approval from the  
 28 department of local government finance before the civil taxing unit  
 29 may:

- 30 (1) incur the bonded indebtedness; or  
 31 (2) enter into the lease.

32 Before January 1, 2009, the department of local government finance  
 33 may seek recommendations from the local government tax control  
 34 board established by section 11 of this chapter when determining  
 35 whether to authorize incurring the bonded indebtedness or the  
 36 execution of the lease.

37 (c) The department of local government finance shall render a  
 38 decision within three (3) months after the date it receives a request for

1 approval under subsection (b). However, the department of local  
 2 government finance may extend this three (3) month period by an  
 3 additional three (3) months if, at least ten (10) days before the end of  
 4 the original three (3) month period, the department sends notice of the  
 5 extension to the executive officer of the civil taxing unit. A civil taxing  
 6 unit may petition for judicial review of the final determination of the  
 7 department of local government finance under this section. The petition  
 8 must be filed in the tax court not more than forty-five (45) days after  
 9 the department enters its order under this section.

10 (d) A civil taxing unit does not need approval under subsection (b)  
 11 to obtain temporary loans made in anticipation of and to be paid from  
 12 current revenues of the civil taxing unit actually levied and in the  
 13 course of collection for the fiscal year in which the loans are made.

14 (e) For purposes of computing the ad valorem property tax levy  
 15 limits imposed on a civil taxing unit by section 3 of this chapter, the  
 16 civil taxing unit's ad valorem property tax levy for a calendar year does  
 17 not include that part of its levy that is committed to fund or pay bond  
 18 indebtedness or lease rentals with an original term of five (5) years in  
 19 subsection (a).

20 (f) A taxpayer may petition for judicial review of the final  
 21 determination of the department of local government finance under this  
 22 section. The petition must be filed in the tax court not more than thirty  
 23 (30) days after the department enters its order under this section.

24 SECTION 14. IC 6-1.1-20-1.1, AS AMENDED BY P.L.2-2006,  
 25 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 JULY 1, 2008]: Sec. 1.1. As used in this chapter, "controlled project"  
 27 means any project financed by bonds or a lease, except for the  
 28 following:

29 (1) A project for which the political subdivision reasonably  
 30 expects to pay:

31 (A) debt service; or

32 (B) lease rentals;

33 from funds other than property taxes that are exempt from the  
 34 levy limitations of IC 6-1.1-18.5 or IC 20-45-3. A project is not a  
 35 controlled project even though the political subdivision has  
 36 pledged to levy property taxes to pay the debt service or lease  
 37 rentals if those other funds are insufficient.

38 (2) A project that will not cost the political subdivision more than

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~~two~~ the lesser of the following:

(A) Seven million dollars (~~\$2,000,000~~): (\$7,000,000).

(B) An amount equal to the greater of:

(i) five-tenths of one percent (0.5%) of the total taxable property within the political subdivision on the last assessment date; or

(ii) two hundred thousand dollars (\$200,000).

(3) A project that is being refinanced for the purpose of providing gross or net present value savings to taxpayers.

(4) A project for which bonds were issued or leases were entered into before January 1, 1996, or where the state board of tax commissioners has approved the issuance of bonds or the execution of leases before January 1, 1996.

(5) A project that is required by a court order holding that a federal law mandates the project.

(6) A project that:

(A) is in response to an emergency or natural disaster in the political subdivision; and

(B) is approved by the county council of each county in which the political subdivision is located.

SECTION 15. IC 6-1.1-20-1.9, AS ADDED BY P.L.219-2007, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1.9. As used in this chapter, "registered voter" means the following:

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

(2) In the case of:

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

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

an individual who is registered to vote in the political subdivision on the date that is thirty (30) days after the notice of the

1 applicability of the petition and remonstrance process is published  
2 under section ~~3-2(1)~~ **3.1(c)(1)** of this chapter.

3 **(3) In the case of a public question held under section 3.6 of**  
4 **this chapter, an individual who is registered to vote in the**  
5 **political subdivision on the date that is thirty (30) days before**  
6 **the date of the election in which the public question will be**  
7 **held.**

8 SECTION 16. IC 6-1.1-20-3.1, AS AMENDED BY P.L.219-2007,  
9 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 JULY 1, 2008]: Sec. 3.1. **(a) Except as provided in subsection (b),**  
11 **this section applies only to a controlled project for which the**  
12 **proper officers of a political subdivision make a preliminary**  
13 **determination before July 1, 2008, to issue bonds or enter into a**  
14 **lease.**

15 **(b) This section also applies to bonds or a lease that:**  
16 **(1) will be used to finance a controlled project that is a project**  
17 **of a growing school corporation (as defined in section 3.6(h)**  
18 **of this chapter); and**  
19 **(2) is not subject to approval in a local public question under**  
20 **section 3.6 of this chapter;**  
21 **regardless of whether the preliminary determination to issue the**  
22 **bonds or enter into the lease for the controlled project is made**  
23 **before, on, or after July 1, 2008.**

24 **(c) A political subdivision may not impose property taxes to pay**  
25 **debt service or lease rentals without completing the following**  
26 **procedures:**

27 **(1) The proper officers of a political subdivision shall:**  
28 **(A) publish notice in accordance with IC 5-3-1; and**  
29 **(B) send notice by first class mail to any organization that**  
30 **delivers to the officers, before January 1 of that year, an annual**  
31 **written request for such notices;**  
32 **of any meeting to consider adoption of a resolution or an**  
33 **ordinance making a preliminary determination to issue bonds or**  
34 **enter into a lease and shall conduct a public hearing on a**  
35 **preliminary determination before adoption of the resolution or**  
36 **ordinance.**

37 **(2) When the proper officers of a political subdivision make a**  
38 **preliminary determination to issue bonds or enter into a lease, the**

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

1           the political subdivision.

2           (5) The state board of accounts shall design and, upon request by

3           the county voter registration office, deliver to the county voter

4           registration office or the county voter registration office's

5           designated printer the petition forms to be used solely in the

6           petition process described in this section. The county voter

7           registration office shall issue to an owner or owners of real

8           property within the political subdivision or a registered voter

9           residing within the political subdivision the number of petition

10          forms requested by the owner or owners or the registered voter.

11          Each form must be accompanied by instructions detailing the

12          requirements that:

13                (A) the carrier and signers must be owners of real property or

14                registered voters;

15                (B) the carrier must be a signatory on at least one (1) petition;

16                (C) after the signatures have been collected, the carrier must

17                swear or affirm before a notary public that the carrier

18                witnessed each signature; and

19                (D) govern the closing date for the petition period.

20          Persons requesting forms may be required to identify themselves

21          as owners of real property or registered voters and may be

22          allowed to pick up additional copies to distribute to other property

23          owners or registered voters. Each person signing a petition must

24          indicate whether the person is signing the petition as a registered

25          voter within the political subdivision or is signing the petition as

26          the owner of real property within the political subdivision. A

27          person who signs a petition as a registered voter must indicate the

28          address at which the person is registered to vote. A person who

29          signs a petition as a real property owner must indicate the address

30          of the real property owned by the person in the political

31          subdivision.

32          (6) Each petition must be verified under oath by at least one (1)

33          qualified petitioner in a manner prescribed by the state board of

34          accounts before the petition is filed with the county voter

35          registration office under subdivision (7).

36          (7) Each petition must be filed with the county voter registration

37          office not more than thirty (30) days after publication under

38          subdivision (2) of the notice of the preliminary determination.

1 (8) The county voter registration office shall determine whether  
2 each person who signed the petition is a registered voter. The  
3 county voter registration office shall not more than fifteen (15)  
4 business days after receiving a petition forward a copy of the  
5 petition to the county auditor. Not more than ten (10) business  
6 days after receiving the copy of the petition, the county auditor  
7 shall provide to the county voter registration office a statement  
8 verifying:

9 (A) whether a person who signed the petition as a registered  
10 voter but is not a registered voter, as determined by the county  
11 voter registration office, is the owner of real property in the  
12 political subdivision; and

13 (B) whether a person who signed the petition as an owner of  
14 real property within the political subdivision does in fact own  
15 real property within the political subdivision.

16 (9) The county voter registration office shall not more than ten  
17 (10) business days after receiving the statement from the county  
18 auditor under subdivision (8) make the final determination of the  
19 number of petitioners that are registered voters in the political  
20 subdivision and, based on the statement provided by the county  
21 auditor, the number of petitioners that own real property within  
22 the political subdivision. Whenever the name of an individual  
23 who signs a petition form as a registered voter contains a minor  
24 variation from the name of the registered voter as set forth in the  
25 records of the county voter registration office, the signature is  
26 presumed to be valid, and there is a presumption that the  
27 individual is entitled to sign the petition under this section. Except  
28 as otherwise provided in this chapter, in determining whether an  
29 individual is a registered voter, the county voter registration office  
30 shall apply the requirements and procedures used under IC 3 to  
31 determine whether a person is a registered voter for purposes of  
32 voting in an election governed by IC 3. However, an individual is  
33 not required to comply with the provisions concerning providing  
34 proof of identification to be considered a registered voter for  
35 purposes of this chapter. A person is entitled to sign a petition  
36 only one (1) time in a particular petition and remonstrance  
37 process under this chapter, regardless of whether the person owns  
38 more than one (1) parcel of real property within the subdivision

1 and regardless of whether the person is both a registered voter in  
2 the political subdivision and the owner of real property within the  
3 political subdivision. Notwithstanding any other provision of this  
4 section, if a petition is presented to the county voter registration  
5 office within thirty-five (35) days before an election, the county  
6 voter registration office may defer acting on the petition, and the  
7 time requirements under this section for action by the county  
8 voter registration office do not begin to run until five (5) days  
9 after the date of the election.

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

12 (A) the township trustee, if the political subdivision is a  
13 township, who shall present the petition or petitions to the  
14 township board; or

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

18 within thirty-five (35) business days of the filing of the petition  
19 requesting a petition and remonstrance process. The certificate  
20 must state the number of petitioners that are owners of real  
21 property within the political subdivision and the number of  
22 petitioners who are registered voters residing within the political  
23 subdivision.

24 If a sufficient petition requesting a petition and remonstrance process  
25 is not filed by owners of real property or registered voters as set forth  
26 in this section, the political subdivision may issue bonds or enter into  
27 a lease by following the provisions of law relating to the bonds to be  
28 issued or lease to be entered into.

29 SECTION 17. IC 6-1.1-20-3.2, AS AMENDED BY P.L.219-2007,  
30 SECTION 61, AND AS AMENDED BY P.L.224-2007, SECTION 31,  
31 IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
32 [EFFECTIVE JULY 1, 2008]: Sec. 3.2. **(a) Except as provided in**  
33 **subsection (b), this section applies only to a controlled project for**  
34 **which the proper officers of a political subdivision make a**  
35 **preliminary determination before July 1, 2008, to issue bonds or**  
36 **enter into a lease.**

37 **(b) This section also applies to bonds or a lease that:**

38 **(1) will be used to finance a controlled project that is a project**

1           **of a growing school corporation (as defined in section 3.6(h)**  
 2           **of this chapter); and**  
 3           **(2) is not subject to approval in a local public question under**  
 4           **section 3.6 of this chapter;**  
 5           **regardless of whether the preliminary determination to issue the**  
 6           **bonds or enter into the lease for the controlled project is made**  
 7           **before, on, or after July 1, 2008.**

8           (c) If a sufficient petition requesting the application of a petition and  
 9           remonstrance process has been filed as set forth in section 3.1 of this  
 10          chapter, a political subdivision may not impose property taxes to pay  
 11          debt service or lease rentals without completing the following  
 12          procedures:

13               (1) The proper officers of the political subdivision shall give  
 14               notice of the applicability of the petition and remonstrance  
 15               process by:

- 16                     (A) publication in accordance with IC 5-3-1; and
- 17                     (B) first class mail to the organizations described in section
- 18                     ~~3.1(1)(B)~~ **3.1(c)(1)(B)** of this chapter.

19           A notice under this subdivision must include a statement that any  
 20           owners of real property *within the political subdivision or*  
 21           *registered voters residing* within the political subdivision who  
 22           want to petition in favor of or remonstrate against the proposed  
 23           debt service or lease payments must file petitions and  
 24           remonstrances in compliance with subdivisions (2) through (4)  
 25           not earlier than thirty (30) days or later than sixty (60) days after  
 26           publication in accordance with IC 5-3-1.

27               (2) Not earlier than thirty (30) days or later than sixty (60) days  
 28               after the notice under subdivision (1) is given:

- 29                     (A) petitions (described in subdivision (3)) in favor of the
- 30                     bonds or lease; and
- 31                     (B) remonstrances (described in subdivision (3)) against the
- 32                     bonds or lease;

33           may be filed by an owner or owners of real property *within the*  
 34           *political subdivision or a registered voter residing* within the  
 35           political subdivision. Each signature on a petition must be dated,  
 36           and the date of signature may not be before the date on which the  
 37           petition and remonstrance forms may be issued under subdivision  
 38           (3). A petition described in clause (A) or a remonstrance

1 described in clause (B) must be verified in compliance with  
 2 subdivision (4) before the petition or remonstrance is filed with  
 3 the county ~~auditor~~ voter registration office under subdivision (4).  
 4 (3) The state board of accounts shall design and, upon request by  
 5 the county ~~auditor~~, voter registration office, deliver to the county  
 6 ~~auditor~~ voter registration office or the county ~~auditor's~~ voter  
 7 registration office's designated printer the petition and  
 8 remonstrance forms to be used solely in the petition and  
 9 remonstrance process described in this section. The county  
 10 ~~auditor~~ voter registration office shall issue to an owner or owners  
 11 of real property *within the political subdivision or a registered*  
 12 *voter residing within the political subdivision* the number of  
 13 petition or remonstrance forms requested by the owner or owners  
 14 *or the registered voter*. Each form must be accompanied by  
 15 instructions detailing the requirements that:

16 (A) the carrier and signers must be owners of real property *or*  
 17 *registered voters*;

18 (B) the carrier must be a signatory on at least one (1) petition;

19 (C) after the signatures have been collected, the carrier must  
 20 swear or affirm before a notary public that the carrier  
 21 witnessed each signature;

22 (D) govern the closing date for the petition and remonstrance  
 23 period; and

24 (E) apply to the carrier under section 10 of this chapter.

25 Persons requesting forms may ~~not~~ be required to identify  
 26 themselves *as owners of real property or registered voters* and  
 27 may be allowed to pick up additional copies to distribute to other  
 28 property owners *or registered voters*. *Each person signing a*  
 29 *petition or remonstrance must indicate whether the person is*  
 30 *signing the petition or remonstrance as a registered voter within*  
 31 *the political subdivision or is signing the petition or*  
 32 *remonstrance as the owner of real property within the political*  
 33 *subdivision. A person who signs a petition or remonstrance as a*  
 34 *registered voter must indicate the address at which the person is*  
 35 *registered to vote. A person who signs a petition or remonstrance*  
 36 *as a real property owner must indicate the address of the real*  
 37 *property owned by the person in the political subdivision*. The  
 38 county ~~auditor~~ voter registration office may not issue a petition

1 or remonstrance form earlier than twenty-nine (29) days after the  
 2 notice is given under subdivision (1). The county ~~auditor~~ voter  
 3 registration office shall certify the date of issuance on each  
 4 petition or remonstrance form that is distributed under this  
 5 subdivision.

6 (4) The petitions and remonstrances must be verified in the  
 7 manner prescribed by the state board of accounts and filed with  
 8 the county ~~auditor~~ voter registration office within the sixty (60)  
 9 day period described in subdivision (2) in the manner set forth in  
 10 section 3.1 of this chapter relating to requests for a petition and  
 11 remonstrance process.

12 (5) *The county voter registration office shall determine whether*  
 13 *each person who signed the petition or remonstrance is a*  
 14 *registered voter. The county voter registration office shall not*  
 15 *more than fifteen (15) business days after receiving a petition or*  
 16 *remonstrance forward a copy of the petition or remonstrance to*  
 17 *the county auditor. Not more than ten (10) business days after*  
 18 *receiving the copy of the petition or remonstrance, the county*  
 19 *auditor shall provide to the county voter registration office a*  
 20 *statement verifying:*

21 (A) *whether a person who signed the petition or remonstrance*  
 22 *as a registered voter but is not a registered voter, as*  
 23 *determined by the county voter registration office, is the*  
 24 *owner of real property in the political subdivision; and*

25 (B) *whether a person who signed the petition or remonstrance*  
 26 *as an owner of real property within the political subdivision*  
 27 *does in fact own real property within the political subdivision.*

28 (6) *The county voter registration office shall not more than ten*  
 29 *(10) business days after receiving the statement from the county*  
 30 *auditor under subdivision (5) make the final determination of:*

31 (A) *the number of registered voters in the political subdivision*  
 32 *that signed a petition and, based on the statement provided by*  
 33 *the county auditor, the number of owners of real property*  
 34 *within the political subdivision that signed a petition; and*

35 (B) *the number of registered voters in the political subdivision*  
 36 *that signed a remonstrance and, based on the statement*  
 37 *provided by the county auditor, the number of owners of real*  
 38 *property within the political subdivision that signed a*

1           *remonstrance.*

2           *Whenever the name of an individual who signs a petition or*

3           *remonstrance as a registered voter contains a minor variation*

4           *from the name of the registered voter as set forth in the records*

5           *of the county voter registration office, the signature is presumed*

6           *to be valid, and there is a presumption that the individual is*

7           *entitled to sign the petition or remonstrance under this section.*

8           *Except as otherwise provided in this chapter, in determining*

9           *whether an individual is a registered voter, the county voter*

10           *registration office shall apply the requirements and procedures*

11           *used under IC 3 to determine whether a person is a registered*

12           *voter for purposes of voting in an election governed by IC 3.*

13           *However, an individual is not required to comply with the*

14           *provisions concerning providing proof of identification to be*

15           *considered a registered voter for purposes of this chapter. A*

16           *person is entitled to sign a petition or remonstrance only one (1)*

17           *time in a particular petition and remonstrance process under this*

18           *chapter, regardless of whether the person owns more than one (1)*

19           *parcel of real property within the subdivision and regardless of*

20           *whether the person is both a registered voter in the political*

21           *subdivision and the owner of real property within the political*

22           *subdivision. Notwithstanding any other provision of this section,*

23           *if a petition or remonstrance is presented to the county voter*

24           *registration office within thirty-five (35) days before an election,*

25           *the county voter registration office may defer acting on the*

26           *petition or remonstrance, and the time requirements under this*

27           *section for action by the county voter registration office do not*

28           *begin to run until five (5) days after the date of the election.*

29           ~~(5)~~ (7) The county ~~auditor~~ voter registration office must file a

30           certificate and the petition or remonstrance with the body of the

31           political subdivision charged with issuing bonds or entering into

32           leases within ~~fifteen (15)~~ thirty-five (35) business days of the

33           filing of a petition or remonstrance under subdivision (4),

34           whichever applies, containing ten thousand (10,000) signatures or

35           less. The county ~~auditor~~ voter registration office may take an

36           additional five (5) days to review and certify the petition or

37           remonstrance for each additional five thousand (5,000) signatures

38           up to a maximum of sixty (60) days. The certificate must state the

1 number of petitioners and remonstrators that are owners of real  
 2 property *within the political subdivision and the number of*  
 3 *petitioners who are registered voters residing* within the political  
 4 subdivision.

5 ~~(6)~~ (8) If a greater number of *persons who are either* owners of  
 6 real property *within the political subdivision or registered voters*  
 7 *residing* within the political subdivision sign a remonstrance than  
 8 the number that signed a petition, the bonds petitioned for may  
 9 not be issued or the lease petitioned for may not be entered into.  
 10 The proper officers of the political subdivision may not make a  
 11 preliminary determination to issue bonds or enter into a lease for  
 12 the controlled project defeated by the petition and remonstrance  
 13 process under this section or any other controlled project that is  
 14 not substantially different within one (1) year after the date of the  
 15 county *auditor's voter registration office's* certificate under  
 16 subdivision ~~(5)~~ (7). Withdrawal of a petition carries the same  
 17 consequences as a defeat of the petition.

18 ~~(7)~~ (9) After a political subdivision has gone through the petition  
 19 and remonstrance process set forth in this section, the political  
 20 subdivision is not required to follow any other remonstrance or  
 21 objection procedures under any other law (including section 5 of  
 22 this chapter) relating to bonds or leases designed to protect  
 23 owners of real property within the political subdivision from the  
 24 imposition of property taxes to pay debt service or lease rentals.  
 25 However, the political subdivision must still receive the approval  
 26 of the department of local government finance *if* required by:

27 (A) IC 6-1.1-18.5-8; or

28 (B) IC 20-46-7-8, IC 20-46-7-9, and IC 20-46-7-10.

29 SECTION 18. IC 6-1.1-20-3.4, AS ADDED BY P.L.224-2007,  
 30 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 JULY 1, 2008]: Sec. 3.4. (a) **Except as provided in subsection (b),**  
 32 **this section applies only to a controlled project for which the**  
 33 **proper officers of a political subdivision make a preliminary**  
 34 **determination before July 1, 2008, to issue bonds or enter into a**  
 35 **lease.**

36 (b) **This section also applies to bonds or a lease that:**

37 (1) **will be used to finance a controlled project that is a project**  
 38 **of a growing school corporation (as defined in section 3.6(h))**

1           **of this chapter); and**  
 2           **(2) is not subject to approval in a local public question under**  
 3           **section 3.6 of this chapter;**  
 4           **regardless of whether the preliminary determination to issue the**  
 5           **bonds or enter into the lease for the controlled project is made**  
 6           **before, on, or after July 1, 2008.**

7           ~~(a)~~ **(c)** Notwithstanding any other provision of this chapter, the  
 8           executive of a political subdivision may initiate the petition and  
 9           remonstrance process under this chapter for the approval or disapproval  
 10          of a proposed controlled project of the political subdivision that has  
 11          been disapproved under IC 6-1.1-29.5 by the county board of tax and  
 12          capital projects review.

13          ~~(b)~~ **(d)** The executive of a political subdivision may initiate the  
 14          petition and remonstrance process under this chapter for a proposed  
 15          controlled project that has been disapproved by the county board of tax  
 16          and capital projects review by giving notice of the applicability of the  
 17          petition and remonstrance process as provided in section ~~3.2(1)~~  
 18          **3.2(c)(1)** of this chapter not more than sixty (60) days after the county  
 19          board of tax and capital projects review disapproves the proposed  
 20          controlled project.

21          ~~(c)~~ **(e)** Section 3.2 of this chapter applies to a petition and  
 22          remonstrance process initiated under this section. However, a sufficient  
 23          petition requesting the application of a petition and remonstrance  
 24          process is not required to be filed as set forth in section 3.1 of this  
 25          chapter before the executive of a political subdivision may initiate the  
 26          petition and remonstrance process as provided in this section.

27          ~~(d)~~ **(f)** If the number of owners of real property within the political  
 28          subdivision and registered voters residing within the political  
 29          subdivision that sign a petition in favor of the proposed controlled  
 30          project is greater than the number of owners of real property within the  
 31          political subdivision and registered voters residing within the political  
 32          subdivision that sign a remonstrance against the proposed controlled  
 33          project, the political subdivision may undertake the proposed  
 34          controlled project, notwithstanding the disapproval of the proposed  
 35          controlled project by the county board of tax and capital projects  
 36          review under IC 6-1.1-29.5.

37          SECTION 19. IC 6-1.1-20-3.5 IS ADDED TO THE INDIANA  
 38          CODE AS A **NEW** SECTION TO READ AS FOLLOWS

1 [EFFECTIVE JULY 1, 2008]: **Sec. 3.5. (a) This section applies only**  
 2 **to a controlled project for which the proper officers of a political**  
 3 **subdivision make a preliminary determination after June 30, 2008,**  
 4 **to issue bonds or enter into a lease.**

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

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

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

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

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

18 **(2) If the proper officers of a political subdivision make a**  
 19 **preliminary determination to issue bonds or enter into a lease,**  
 20 **the officers shall give notice of the preliminary determination**  
 21 **by:**

22 **(A) publication in accordance with IC 5-3-1; and**

23 **(B) first class mail to the organizations described in**  
 24 **subdivision (1)(B).**

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

28 **(A) The maximum term of the bonds or lease.**

29 **(B) The maximum principal amount of the bonds or the**  
 30 **maximum lease rental for the lease.**

31 **(C) The estimated interest rates that will be paid and the**  
 32 **total interest costs associated with the bonds or lease.**

33 **(D) The purpose of the bonds or lease.**

34 **(E) A statement that the proposed debt service or lease**  
 35 **payments must be approved in an election on a local public**  
 36 **question held under section 3.6 of this chapter.**

37 **(F) With respect to bonds issued or a lease entered into to**  
 38 **open:**

1                   **(i) a new school facility; or**  
 2                   **(ii) an existing facility that has not been used for at least**  
 3                   **three (3) years and that is being reopened to provide**  
 4                   **additional classroom space;**  
 5                   **the estimated costs the school corporation expects to**  
 6                   **annually incur to operate the facility.**  
 7                   **(G) A statement of whether the school corporation expects**  
 8                   **to appeal for a new facility adjustment (as defined in**  
 9                   **IC 20-45-1-16) for an increased maximum permissible**  
 10                   **tuition support levy to pay any estimated costs described**  
 11                   **in clause (F).**

12                   **(c) If the proper officers of a political subdivision make a**  
 13                   **preliminary determination to issue bonds or enter into a lease, the**  
 14                   **officers shall provide to the county auditor:**

- 15                   **(1) a copy of the notice required by subsection (b)(2); and**
- 16                   **(2) any other information the county auditor requires to fulfill**  
 17                   **the county auditor's duties under section 3.6 of this chapter.**

18                   **SECTION 20. IC 6-1.1-20-3.6 IS ADDED TO THE INDIANA**  
 19                   **CODE AS A NEW SECTION TO READ AS FOLLOWS**  
 20                   **[EFFECTIVE JULY 1, 2008]: Sec. 3.6. (a) This section applies only**  
 21                   **to a controlled project for which the proper officers of a political**  
 22                   **subdivision make a preliminary determination after June 30, 2008,**  
 23                   **to issue bonds or enter into a lease. However, this section does not**  
 24                   **apply to bonds issued by or a lease entered into by a growing**  
 25                   **school corporation (as defined in subsection (h)) for a controlled**  
 26                   **project if the county council of each county in which the growing**  
 27                   **school corporation is located has approved an appeal by the**  
 28                   **growing school corporation for the controlled project under**  
 29                   **subsection (h).**

30                   **(b) A political subdivision may not impose property taxes to pay**  
 31                   **debt service or lease rentals unless the political subdivision's**  
 32                   **proposed debt service or lease rental is approved in an election on**  
 33                   **a local public question held under this section.**

34                   **(c) The following question shall be submitted to the voters at the**  
 35                   **election conducted under this section:**

36                   **"Shall \_\_\_\_\_ (insert the name of the political subdivision)**  
 37                   **issue bonds or enter into a lease to finance \_\_\_\_\_**  
 38                   **(insert the description 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 each county in which the political subdivision is located.  
 4 After the public question is certified, the public question shall be  
 5 placed on the ballot at the next primary or general election in  
 6 which all voters of the political subdivision are entitled to vote.  
 7 However, if a primary or general election will not be held in the six  
 8 (6) month period after the county auditor certifies the public  
 9 question, the public question may be placed on the ballot at a  
 10 special election to be held:

11           (1) not earlier than ninety (90) days; and

12           (2) not later than one hundred twenty (120) days;

13 after the public question is certified. The public question may be  
 14 placed on the ballot at a special election only if the fiscal body of  
 15 the political subdivision that wishes to issue the bonds or enter into  
 16 the lease agrees to pay the costs of holding the special election. The  
 17 county election board shall give notice under IC 5-3-1 of a special  
 18 election conducted under this subsection. A special election  
 19 conducted under this subsection is under the direction of the  
 20 county election board. The county election board shall take all  
 21 steps necessary to carry out the special election.

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

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

26           (2) The department of local government finance.

27           (f) Subject to the requirements of IC 6-1.1-18.5-8 and  
 28 IC 6-1.1-29.5, the political subdivision may issue the proposed  
 29 bonds or enter into the proposed lease rental if a majority of the  
 30 voters voting on the public question vote in favor of the public  
 31 question.

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

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

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

1           **(h) As used in this section, "growing school corporation" means**  
 2           **a school corporation that for the most recently completed school**  
 3           **year had an increase in the school corporation's ADM (as defined**  
 4           **in IC 20-18-2-2) of at least four percent (4%), as compared to the**  
 5           **school year immediately preceding the most recently completed**  
 6           **school year. A growing school corporation may, before the growing**  
 7           **school corporation makes a preliminary determination to issue**  
 8           **bonds or enter into a lease that is otherwise subject to this section,**  
 9           **file an appeal with the county council of each county in which the**  
 10           **growing school corporation is located. A county council may**  
 11           **approve the appeal only if the county council finds:**

12                   **(1) that the bonds will be issued for or the lease will be entered**  
 13                   **into for a controlled project that is necessary to accommodate**  
 14                   **increased enrollment in the school corporation; or**

15                   **(2) that delay in issuing the bonds or entering into the lease**  
 16                   **will result in a significant shortage of classroom space within**  
 17                   **the school corporation.**

18           **If a county council approves the appeal, the issuance of the bonds**  
 19           **or the entering into the lease is not subject to a public question**  
 20           **under this section. A county council must approve or disapprove**  
 21           **an appeal by a growing school corporation not more than forty-five**  
 22           **(45) days after the appeal is filed with the county council. If a**  
 23           **county council does not approve or disapprove an appeal by a**  
 24           **growing school corporation not more than forty-five (45) days**  
 25           **after the appeal is filed with the county council, the appeal is**  
 26           **considered approved by the county council. In the case of an appeal**  
 27           **by a growing school corporation that is located in more than one**  
 28           **(1) county, an appeal is not considered approved unless the county**  
 29           **council of each county in which the growing school corporation is**  
 30           **located has approved the appeal.**

31           **(i) IC 3, to the extent not inconsistent with this section, applies**  
 32           **to an election held under this section.**

33           SECTION 21. IC 6-1.1-20-9, AS AMENDED BY P.L.224-2007,  
 34           SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 35           JULY 1, 2008]: Sec. 9. (a) When the proper officers of a political  
 36           subdivision decide to issue bonds payable from property taxes to  
 37           finance a public improvement, they shall adopt an ordinance or  
 38           resolution which sets forth their determination to issue the bonds.

1 Except as provided in subsection (b), the political subdivision may not  
 2 advertise for or receive bids for the construction of the improvement  
 3 until ~~the expiration of the latter of:~~ **after either of the following:**

4 **(1) In the case of a proposed issue that is subject to section 3.1**  
 5 **of this chapter, the expiration of either:**

6 ~~(1)~~ **(A)** the time period within which taxpayers may file a  
 7 petition for review of or a remonstrance against the proposed  
 8 issue; or

9 ~~(2)~~ **(B)** the time period during which a petition for review of  
 10 the proposed issue is pending before the department of local  
 11 government finance (before January 1, 2009) or the county  
 12 board of tax and capital projects review (after December 31,  
 13 2008).

14 **(2) In the case of a proposed issue that is subject to section 3.5**  
 15 **of this chapter, the proposed issue is approved in an election**  
 16 **on a public question held under section 3.6 of this chapter.**

17 (b) This subsection applies before January 1, 2009. When a petition  
 18 for review of a proposed issue is pending before the department of local  
 19 government finance, the department may order the political subdivision  
 20 to advertise for and receive bids for the construction of the public  
 21 improvement. When the department of local government finance issues  
 22 such an order, the political subdivision shall file a bid report with the  
 23 department within five (5) days after the bids are received, and the  
 24 department shall render a final decision on the proposed issue within  
 25 fifteen (15) days after it receives the bid report. Notwithstanding the  
 26 provisions of this subsection, a political subdivision may not enter into  
 27 a contract for the construction of a public improvement while a petition  
 28 for review of the bond issue which is to finance the improvement is  
 29 pending before the department of local government finance.

30 (c) This subsection applies after December 31, 2008. When a  
 31 petition for review of a proposed issue is pending before the county  
 32 board of tax and capital projects review, the board may order the  
 33 political subdivision to advertise for and receive bids for the  
 34 construction of the public improvement. When the county board of tax  
 35 and capital projects review issues such an order, the political  
 36 subdivision shall file a bid report with the board within five (5) days  
 37 after the bids are received, and the board shall render a final decision  
 38 on the proposed issue within fifteen (15) days after it receives the bid

1 report. Notwithstanding the provisions of this subsection, a political  
 2 subdivision may not enter into a contract for the construction of a  
 3 public improvement while a petition for review of the bond issue that  
 4 is to finance the improvement is pending before the county board of tax  
 5 and capital projects review.

6 SECTION 22. IC 6-1.1-20-10, AS AMENDED BY P.L.162-2006,  
 7 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 JULY 1, 2008]: Sec. 10. (a) This section applies to a political  
 9 subdivision that adopts an ordinance or a resolution making a  
 10 preliminary determination to issue bonds or enter into a lease. During  
 11 the period commencing with the adoption of the ordinance or  
 12 resolution and, if a petition and remonstrance process is commenced  
 13 under section 3.2 of this chapter, continuing through the sixty (60) day  
 14 period commencing with the notice under ~~section 3.2(1)~~ **section**  
 15 **3.2(c)(1)** of this chapter **(in the case of a petition and remonstrance)**  
 16 **and continuing through the day on which a local public question is**  
 17 **submitted to the voters of the political subdivision under section 3.6**  
 18 **of this chapter (in the case of a public question),** the political  
 19 subdivision seeking to issue bonds or enter into a lease for the proposed  
 20 controlled project may not promote a position on the petition, ~~or~~  
 21 remonstrance, **or public question** by doing any of the following:

22 (1) Allowing facilities or equipment, including mail and  
 23 messaging systems, owned by the political subdivision to be used  
 24 for public relations purposes to promote a position on the petition,  
 25 ~~or~~ remonstrance, **or public question**, unless equal access to the  
 26 facilities or equipment is given to persons with a position opposite  
 27 to that of the political subdivision.

28 (2) Making an expenditure of money from a fund controlled by  
 29 the political subdivision to:

30 (A) promote a position on the petition, ~~or~~ remonstrance, **or**  
 31 **public question;** or ~~or~~

32 (B) pay for the gathering of signatures on a petition or  
 33 remonstrance.

34 This subdivision does not prohibit a political subdivision from  
 35 making an expenditure of money to an attorney, an architect, a  
 36 construction manager, or a financial adviser for professional  
 37 services provided with respect to a controlled project.

38 (3) Using an employee to promote a position on the petition, ~~or~~

1 remonstrance, **or public question** during the employee's normal  
 2 working hours or paid overtime, or otherwise compelling an  
 3 employee to promote a position on the petition, ~~or~~ remonstrance,  
 4 **or public question** at any time.

5 (4) In the case of a school corporation, promoting a position on a  
 6 petition, ~~or~~ remonstrance, **or public question** by:

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

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

12 However, this section does not prohibit an employee of the political  
 13 subdivision from carrying out duties with respect to a petition, ~~or~~  
 14 remonstrance, **or public question** that are part of the normal and  
 15 regular conduct of the employee's office or agency.

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

19 (c) The staff and employees of a school corporation may not  
 20 personally identify a student as the child of a parent or guardian who  
 21 supports or opposes a petition, ~~or~~ remonstrance, **or public question**.

22 (d) A person or an organization that has a contract or arrangement  
 23 (whether formal or informal) with a school corporation for the use of  
 24 any of the school corporation's facilities may not spend any money to  
 25 promote a position on the petition, ~~or~~ remonstrance, **or public**  
 26 **question**. A person or an organization that violates this subsection  
 27 commits a Class A infraction.

28 (e) An attorney, an architect, a construction manager, or a financial  
 29 adviser for professional services provided with respect to a controlled  
 30 project may not spend any money to promote a position on the petition,  
 31 ~~or~~ remonstrance, **or public question**. A person who violates this  
 32 subsection:

33 (1) commits a Class A infraction; and

34 (2) is barred from performing any services with respect to the  
 35 controlled project.

36 SECTION 23. IC 6-1.1-20-10.1 IS ADDED TO THE INDIANA  
 37 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 38 [EFFECTIVE JULY 1, 2008]: **Sec. 10.1. (a) This section applies only**

1 to a political subdivision that, after June 30, 2008, adopts an  
 2 ordinance or a resolution making a preliminary determination to  
 3 issue bonds or enter into a lease subject to sections 3.5 and 3.6 of  
 4 this chapter.

5 (b) During the period beginning with the adoption of the  
 6 ordinance or resolution and continuing through the day on which  
 7 a local public question is submitted to the voters of the political  
 8 subdivision under section 3.6 of this chapter, the political  
 9 subdivision seeking to issue bonds or enter into a lease for the  
 10 proposed controlled project may not promote a position on the  
 11 local public question by doing any of the following:

12 (1) Allowing facilities or equipment, including mail and  
 13 messaging systems, owned by the political subdivision to be  
 14 used for public relations purposes to promote a position on  
 15 the local public question, unless equal access to the facilities  
 16 or equipment is given to persons with a position opposite to  
 17 that of the political subdivision.

18 (2) Making an expenditure of money from a fund controlled  
 19 by the political subdivision to promote a position on the local  
 20 public question. This subdivision does not prohibit a political  
 21 subdivision from making an expenditure of money to an  
 22 attorney, an architect, a construction manager, or a financial  
 23 adviser for professional services provided with respect to a  
 24 controlled project.

25 (3) Using an employee to promote a position on the local  
 26 public question during the employee's normal working hours  
 27 or paid overtime, or otherwise compelling an employee to  
 28 promote a position on the local public question at any time.

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

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

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

36 However, this section does not prohibit an employee of the political  
 37 subdivision from carrying out duties with respect to a local public  
 38 question that are part of the normal and regular conduct of the

1       **employee's office or agency.**

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

6       **(d) A person or an organization that has a contract or**  
7 **arrangement (whether formal or informal) with a school**  
8 **corporation for the use of any of the school corporation's facilities**  
9 **may not spend any money to promote a position on a local public**  
10 **question. A person or an organization that violates this subsection**  
11 **commits a Class A infraction.**

12       **(e) An attorney, an architect, a construction manager, or a**  
13 **financial adviser for professional services provided with respect to**  
14 **a controlled project may not spend any money to promote a**  
15 **position on a local public question. A person who violates this**  
16 **subsection:**

- 17           **(1) commits a Class A infraction; and**
- 18           **(2) is barred from performing any services with respect to the**  
19 **controlled project."**

20       Page 8, after line 15, begin a new paragraph and insert:

21       "SECTION 25. IC 8-14-9-12, AS AMENDED BY P.L.219-2007,  
22 SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
23 JULY 1, 2008]: Sec. 12. All bonds and interest on bonds issued under  
24 this chapter are exempt from taxation as provided under IC 6-8-5-1. All  
25 general laws relating to:

- 26           (1) the filing of a petition requesting the issuance of bonds;
- 27           (2) the right of:
  - 28               **(A) taxpayers and voters to remonstrate against the issuance of**  
29 **bonds in the case of a proposed bond issue described by**  
30 **IC 6-1.1-20-3.1(a); or**
  - 31               **(B) voters to vote on the issuance of bonds in the case of a**  
32 **proposed bond issue described by IC 6-1.1-20-3.5(a);**
- 33           (3) the appropriation of the proceeds of the bonds and the  
34 approval of the appropriation by the department of local  
35 government finance; and
- 36           (4) the sale of bonds at public sale for not less than par value;
- 37       are applicable to proceedings under this chapter.

38       SECTION 26. IC 8-22-3-16, AS AMENDED BY P.L.219-2007,

1 SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JULY 1, 2008]: Sec. 16. (a) The board may issue general obligation  
3 bonds of the authority for the purpose of procuring funds to pay the  
4 cost of acquiring real property, or constructing, enlarging, improving,  
5 remodeling, repairing, or equipping buildings, structures, runways, or  
6 other facilities, for use as or in connection with or for administrative  
7 purposes of the airport. The issuance of the bonds must be authorized  
8 by ordinance of the board providing for the amount, terms, and tenor  
9 of the bonds and for the time and character of notice and the mode of  
10 making sale. If one (1) airport is owned by the authority, an ordinance  
11 authorizing the issuance of bonds for a separate second airport is  
12 subject to approval as provided in this section. The bonds bear interest  
13 and are payable at the times and places that the board determines but  
14 running not more than twenty-five (25) years after the date of their  
15 issuance, and they must be executed in the name of the authority by the  
16 president of the board and attested by the secretary who shall affix to  
17 each of the bonds the official seal of the authority. The interest coupons  
18 attached to the bonds may be executed by placing on them the  
19 facsimile signature of the president of the board.

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

22 (1) When the authority is established by an eligible entity, by its  
23 fiscal body.

24 (2) When the authority is established by two (2) or more eligible  
25 entities acting jointly, by the fiscal body of each of those entities.

26 (3) When the authority was established under IC 19-6-2 (**before**  
27 **its repeal**), by the mayor of the consolidated city, and if a second  
28 airport is to be funded, also by the city-county council.

29 (4) When the authority was established under IC 19-6-3 (**before**  
30 **its repeal**), by the county council.

31 (c) The airport director shall manage and supervise the preparation,  
32 advertisement, and sale of the bonds, subject to the authorizing  
33 ordinance. Before the sale of the bonds, the airport director shall cause  
34 notice of the sale to be published once each week for two (2)  
35 consecutive weeks in two (2) newspapers of general circulation  
36 published in the district, setting out the time and place where bids will  
37 be received, the amount and maturity dates of the issue, the maximum  
38 interest rate, and the terms and conditions of sale and delivery of the

1 bonds. The bonds shall be sold to the highest bidder, in accordance  
 2 with the procedures for selling public bonds. After the bonds have been  
 3 properly sold and executed, the airport director shall deliver them to the  
 4 treasurer of the authority and take a receipt for them, and shall certify  
 5 to the treasurer the amount which the purchaser is to pay for them,  
 6 together with the name and address of the purchaser. On payment of  
 7 the purchase price, the treasurer shall deliver the bonds to the  
 8 purchaser, and the treasurer and airport director or superintendent shall  
 9 report their actions to the board.

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

11 (1) the filing of a petition requesting the issuance of bonds and  
 12 giving notice of them;

13 (2) the giving of notice of determination to issue bonds;

14 (3) the giving of notice of hearing on the appropriation of the  
 15 proceeds of bonds and the right of taxpayers to appeal and be  
 16 heard on the proposed appropriation;

17 (4) the approval of the appropriation by the department of local  
 18 government finance;

19 (5) the right of:

20 (A) taxpayers and voters to remonstrate against the issuance of  
 21 bonds **in the case of a proposed bond issue described by**  
 22 **IC 6-1.1-20-3.1(a); or**

23 (B) voters to vote on the issuance of bonds in the case of a  
 24 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

25 and

26 (6) the sale of bonds at public sale for not less than par value;  
 27 are applicable to proceedings under this chapter for the issuance of  
 28 general obligation bonds.

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

35 SECTION 27. IC 12-29-1-5, AS AMENDED BY P.L.219-2007,  
 36 SECTION 96, AND AS AMENDED BY P.L.224-2007, SECTION  
 37 101, IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
 38 [EFFECTIVE JULY 1, 2008]: Sec. 5. All general Indiana statutes

1 relating to the following apply to the issuance of county bonds under  
2 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 (*before January 1, 2009*) or the county board  
14 of tax and capital projects review (*after December 31, 2008*).  
15 (5) The right of:  
16 (A) taxpayers *and voters* to remonstrate against the issuance  
17 of bonds **in the case of a proposed bond issue described by**  
18 **IC 6-1.1-20-3.1(a); or**  
19 **(B) voters to vote on the issuance of bonds in the case of a**  
20 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

21 SECTION 28. IC 12-29-2-18, AS AMENDED BY P.L.219-2007,  
22 SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
23 JULY 1, 2008]: Sec. 18. All general Indiana statutes relating to the  
24 following apply to the issuance of county bonds under this chapter:

- 25 (1) The filing of a petition requesting the issuance of bonds.  
26 (2) The giving of notice of the following:  
27 (A) The filing of the petition requesting the issuance of the  
28 bonds.  
29 (B) The determination to issue bonds.  
30 (C) A hearing on the appropriation of the proceeds of the  
31 bonds.  
32 (3) The right of taxpayers to appear and be heard on the proposed  
33 appropriation.  
34 (4) The approval of the appropriation by the department of local  
35 government finance.  
36 (5) The right of:  
37 (A) taxpayers and voters to remonstrate against the issuance of  
38 bonds **in the case of a proposed bond issue described by**

1                   **IC 6-1.1-20-3.1(a); or**  
 2                   **(B) voters to vote on the issuance of bonds in the case of a**  
 3                   **proposed bond issue described by IC 6-1.1-20-3.5(a).**

4                   SECTION 29. IC 14-27-6-40, AS AMENDED BY P.L.219-2007,  
 5                   SECTION 98, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6                   JULY 1, 2008]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20  
 7                   relating to the following apply to proceedings under this chapter:

- 8                   (1) The filing of a petition requesting the issuance of bonds and  
 9                   giving notice of the petition.  
 10                  (2) The giving of notice of determination to issue bonds.  
 11                  (3) The giving of notice of hearing on the appropriation of the  
 12                  proceeds of bonds and the right of taxpayers to appeal and be  
 13                  heard on the proposed appropriation.  
 14                  (4) The approval of the appropriation by the department of local  
 15                  government finance.  
 16                  (5) The right of:  
 17                        **(A) taxpayers and voters to remonstrate against the issuance of**  
 18                        **bonds in the case of a proposed bond issue described by**  
 19                        **IC 6-1.1-20-3.1(a); or**  
 20                        **(B) voters to vote on the issuance of bonds in the case of a**  
 21                        **proposed bond issue described by IC 6-1.1-20-3.5(a).**

22                  (6) The sale of bonds at public sale for not less than the par value.  
 23                  SECTION 30. IC 14-33-11-8 IS AMENDED TO READ AS  
 24                  FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) Before offering  
 25                  bonds for sale, the board shall give notice in the same manner as is  
 26                  **provided required by IC 6-1.1-20** for the sale of bonds by municipal  
 27                  corporations.

- 28                  (b) Persons affected are entitled to:  
 29                        (1) remonstrate against issuance of the bonds **(in the case of a**  
 30                        **preliminary determination made before July 1, 2008, to issue**  
 31                        **bonds); or**  
 32                        **(2) vote on the proposed issuance of bonds in an election on a**  
 33                        **local public question (in the case of a preliminary**  
 34                        **determination made after June 30, 2008, to issue bonds).**  
 35                  (c) An action to question the validity of the bonds may not be  
 36                  instituted after the date fixed for sale, and the bonds are incontestable  
 37                  after that time.

38                  SECTION 31. IC 14-33-11-9 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. If the board is denied  
 2 the right to issue bonds as a result of remonstrance proceedings **or an**  
 3 **election on a local public question held under IC 6-1.1-20-3.6:**

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

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

7 SECTION 32. IC 16-22-6-20 IS AMENDED TO READ AS  
 8 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 20. (a) If the execution  
 9 of the original or a modified lease is authorized, notice of the signing  
 10 shall be published on behalf of the county one (1) time in a newspaper  
 11 of general circulation and published in the county. Except as provided  
 12 in subsection (b), at least ten (10) taxpayers in the county whose tax  
 13 rate will be affected by the proposed lease may file a petition with the  
 14 county auditor not more than thirty (30) days after publication of notice  
 15 of the execution of the lease. The petition must set forth the objections  
 16 to the lease and facts showing that the execution of the lease is  
 17 unnecessary or unwise or that the lease rental is not fair and reasonable.

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

23 SECTION 33. IC 16-22-8-43, AS AMENDED BY P.L.194-2007,  
 24 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JULY 1, 2008]: Sec. 43. (a) The corporation may issue general  
 26 obligation bonds to procure funds to pay the cost of acquiring real  
 27 property or constructing, enlarging, improving, remodeling, repairing,  
 28 or equipping buildings for use as a hospital, a health care facility, or an  
 29 administrative facility. The issuance of the bonds shall be authorized  
 30 by a board resolution providing for the amount, terms, and tenor of the  
 31 bonds, for the time and character of notice, and the mode of making the  
 32 sale. The bonds shall be payable not more than forty (40) years after the  
 33 date of issuance. The bonds shall be executed in the name of the  
 34 corporation by the executive director.

35 (b) The executive director shall manage and supervise the  
 36 preparation, advertisement, and sale of bonds, subject to the provisions  
 37 of the authorizing resolution. Before the sale of the bonds, the  
 38 executive director shall publish notice of the sale in accordance with

1 IC 5-3-1, setting out the time and place where bids will be received, the  
 2 amount and maturity dates of the issue, the maximum interest rate, and  
 3 the terms and conditions of sale and delivery of the bonds. The bonds  
 4 shall be sold to the highest and best bidder. After the bonds have been  
 5 sold and executed, the executive director shall deliver the bonds to the  
 6 treasurer of the corporation and take the treasurer's receipt, and shall  
 7 certify to the treasurer the amount that the purchaser is to pay, together  
 8 with the name and address of the purchaser. On payment of the  
 9 purchase price, the treasurer shall deliver the bonds to the purchaser,  
 10 and the treasurer and executive director shall report the actions to the  
 11 board.

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

13 (1) Notice and filing of the petition requesting the issuance of the  
 14 bonds.

15 (2) Notice of determination to issue bonds.

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

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

19 (5) The right to:

20 (A) remonstrate **in the case of a proposed bond issue**  
 21 **described by IC 6-1.1-20-3.1(a); or**

22 (B) **vote on the issuance of bonds in the case of a proposed**  
 23 **bond issue described by IC 6-1.1-20-3.5(a).**

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

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

31 (e) The bonds are exempt from taxation for all purposes but the  
 32 interest is subject to the adjusted gross income tax.

33 SECTION 34. IC 20-46-7-8, AS AMENDED BY P.L.224-2007,  
 34 SECTION 116, IS AMENDED TO READ AS FOLLOWS  
 35 [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) A school corporation must  
 36 file a petition requesting approval from the department of local  
 37 government finance to:

38 (1) incur bond indebtedness;

1           (2) enter into a lease rental agreement; or  
 2           (3) repay from the debt service fund loans made for the purchase  
 3           of school buses under IC 20-27-4-5;  
 4           not later than twenty-four (24) months after the first date of publication  
 5           of notice of a preliminary determination under ~~IC 6-1.1-20-3.1(2)~~;  
 6           **IC 6-1.1-20-3.1(c)(2) or IC 6-1.1-20-3.5(b)(2), whichever is**  
 7           **applicable**, unless the school corporation demonstrates that a longer  
 8           period is reasonable in light of the school corporation's facts and  
 9           circumstances.

10           (b) A school corporation must obtain approval from the department  
 11           of local government finance before the school corporation may:

- 12           (1) incur the indebtedness;  
 13           (2) enter into the lease agreement; or  
 14           (3) repay the school bus purchase loan.

15           (c) This restriction does not apply to property taxes that a school  
 16           corporation levies to pay or fund bond or lease rental indebtedness  
 17           created or incurred before July 1, 1974. In addition, this restriction does  
 18           not apply to a lease agreement or a purchase agreement entered into  
 19           between a school corporation and the Indiana bond bank for the lease  
 20           or purchase of a school bus under IC 5-1.5-4-1(a)(5), if the lease  
 21           agreement or purchase agreement conforms with the school  
 22           corporation's ten (10) year school bus replacement plan approved by  
 23           the department of local government finance under IC 21-2-11.5-3.1  
 24           **(before its repeal) or IC 20-46-5.**

25           (d) This section does not apply to:

- 26           (1) school bus purchase loans made by a school corporation that  
 27           will be repaid solely from the general fund of the school  
 28           corporation; or  
 29           (2) bonded indebtedness incurred or lease rental agreements  
 30           entered into for capital projects approved by a county board of tax  
 31           and capital projects review under IC 6-1.1-29.5 after December  
 32           31, 2008.

33           SECTION 35. IC 20-47-4-6, AS ADDED BY P.L.2-2006,  
 34           SECTION 170, IS AMENDED TO READ AS FOLLOWS  
 35           [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) A lessor corporation may  
 36           acquire and finance an existing school building, other than as provided  
 37           in section 5 of this chapter, and lease the existing school building to a  
 38           school corporation. A school corporation shall comply with:

- 1           (1) IC 20-47-2 or IC 20-47-3; and  
 2           (2) **either:**  
 3                (A) the petition and remonstrance provisions under  
 4                IC 6-1.1-20, **in the case of a school corporation that is a**  
 5                **growing school corporation (as defined in**  
 6                **IC 6-1.1-20-3.6(h)); or**  
 7                **(B) the local public question provisions under IC 6-1.1-20**  
 8                **in the case of a school corporation that is not a growing**  
 9                **school corporation (as defined in IC 6-1.1-20-3.6(h)).**

10           (b) A lease made under this section may provide for the payment of  
 11           lease rentals by the school corporation for the use of the existing school  
 12           building.

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

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

21           SECTION 36. IC 20-48-1-8, AS AMENDED BY P.L.219-2007,  
 22           SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 23           JULY 1, 2008]: Sec. 8. The provisions of all general statutes and rules  
 24           relating to:

- 25                (1) filing petitions requesting the issuance of bonds and giving  
 26                notice of the issuance of bonds;  
 27                (2) giving notice of determination to issue bonds;  
 28                (3) giving notice of a hearing on the appropriation of the proceeds  
 29                of the bonds and the right of taxpayers to appear and be heard on  
 30                the proposed 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 of  
 35                    bonds, **in the case of a school corporation that is a growing**  
 36                    **school corporation (as defined in IC 6-1.1-20-3.6(h)); or**  
 37                    **(B) voters to vote on the issuance of bonds, in the case of a**  
 38                    **school corporation that is not a growing school corporation**

1                   **(as defined in IC 6-1.1-20-3.6(h));**  
 2           apply to proceedings for the issuance of bonds and the making of an  
 3           emergency loan under this article and IC 20-26-1 through IC 20-26-5.  
 4           An action to contest the validity of the bonds or emergency loans may  
 5           not be brought later than five (5) days after the acceptance of a bid for  
 6           the sale of the bonds.

7           SECTION 37. IC 36-3-5-8, AS AMENDED BY P.L.219-2007,  
 8           SECTION 113, IS AMENDED TO READ AS FOLLOWS  
 9           [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) This section applies whenever  
 10          a special taxing district of the consolidated city has the power to issue  
 11          bonds, notes, or warrants.

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

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

- 18                 (1) hold all required hearings;  
 19                 (2) adopt all necessary resolutions; and  
 20                 (3) appropriate the proceeds of the bonds;

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

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

- 26                 (1) be dated;  
 27                 (2) be issued in any denomination;  
 28                 (3) mature at any time or times not exceeding fifty (50) years after  
 29                 their date; and  
 30                 (4) be payable at any bank or banks;

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

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

- 35                 **(1)** The filing of a petition requesting the issuance of bonds and  
 36                 giving notice of the petition.  
 37                 **(2)** The giving of notice of a hearing on the appropriation of the  
 38                 proceeds of bonds.

- 1           (3) The right of taxpayers to appear and be heard on the proposed
- 2           appropriation.
- 3           (4) The approval of the appropriation by the department of local
- 4           government finance.
- 5           (5) The right of:
- 6                 (A) taxpayers and voters to remonstrate against the issuance of
- 7                 bonds ~~and~~ **in the case of a proposed bond issue described by**
- 8                 **IC 6-1.1-20-3.1(a); or**
- 9                 **(B) voters to vote on the issuance of bonds in the case of a**
- 10                **proposed bond issue described by IC 6-1.1-20-3.5(a).**
- 11           (6) The sale of bonds at public sale.
- 12           SECTION 38. IC 36-5-2-11, AS AMENDED BY P.L.219-2007,
- 13           SECTION 116, IS AMENDED TO READ AS FOLLOWS
- 14           [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) The legislative body may
- 15           issue bonds for the purpose of procuring money to be used in the
- 16           exercise of the powers of the town and for the payment of town debts.
- 17           However, a town may not issue bonds to procure money to pay current
- 18           expenses.
- 19           (b) Bonds issued under this section are payable in the amounts and
- 20           at the times determined by the legislative body.
- 21           (c) Bonds issued under this section are subject to the provisions of
- 22           IC 5-1 and IC 6-1.1-20 relating to **the following:**
- 23                 (1) The filing of a petition requesting the issuance of bonds and
- 24                 giving notice of the petition.
- 25                 (2) The giving of notice of a hearing on the appropriation of the
- 26                 proceeds of bonds.
- 27                 (3) The right of taxpayers to appear and be heard on the proposed
- 28                 appropriation.
- 29                 (4) The approval of the appropriation by the department of local
- 30                 government finance.
- 31                 (5) The right of:
- 32                         (A) taxpayers and voters to remonstrate against the issuance of
- 33                         bonds ~~and~~ **in the case of a proposed bond issue described by**
- 34                         **IC 6-1.1-20-3.1(a); or**
- 35                         **(B) voters to vote on the issuance of bonds in the case of a**
- 36                         **proposed bond issue described by IC 6-1.1-20-3.5(a).**
- 37                 (6) The sale of bonds at public sale for not less than their par
- 38                 value.

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

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

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

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

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

20 SECTION 39. IC 36-7-14-25.1, AS AMENDED BY P.L.219-2007,  
 21 SECTION 125, IS AMENDED TO READ AS FOLLOWS  
 22 [EFFECTIVE JULY 1, 2008]: Sec. 25.1. (a) In addition to other  
 23 methods of raising money for property acquisition or redevelopment in  
 24 a redevelopment project area, and in anticipation of the special tax to  
 25 be levied under section 27 of this chapter, the taxes allocated under  
 26 section 39 of this chapter, or other revenues of the district, or any  
 27 combination of these sources, the redevelopment commission may, by  
 28 resolution and subject to subsection (p), issue the bonds of the special  
 29 taxing district in the name of the unit. The amount of the bonds may  
 30 not exceed the total, as estimated by the commission, of all expenses  
 31 reasonably incurred in connection with the acquisition and  
 32 redevelopment of the property, including:

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

35 (2) all reasonable and necessary architectural, engineering, legal,  
 36 financing, accounting, advertising, bond discount, and  
 37 supervisory expenses related to the acquisition and redevelopment  
 38 of the property or the issuance of bonds;

- 1 (3) capitalized interest permitted by this chapter and a debt  
2 service reserve for the bonds to the extent the redevelopment  
3 commission determines that a reserve is reasonably required; and  
4 (4) expenses that the redevelopment commission is required or  
5 permitted to pay under IC 8-23-17.
- 6 (b) If the redevelopment commission plans to acquire different  
7 parcels of land or let different contracts for redevelopment work at  
8 approximately the same time, whether under one (1) or more  
9 resolutions, the commission may provide for the total cost in one (1)  
10 issue of bonds.
- 11 (c) The bonds must be dated as set forth in the bond resolution and  
12 negotiable, subject to the requirements of the bond resolution for  
13 registering the bonds. The resolution authorizing the bonds must state:  
14 (1) the denominations of the bonds;  
15 (2) the place or places at which the bonds are payable; and  
16 (3) the term of the bonds, which may not exceed fifty (50) years.  
17 The resolution may also state that the bonds are redeemable before  
18 maturity with or without a premium, as determined by the  
19 redevelopment commission.
- 20 (d) The redevelopment commission shall certify a copy of the  
21 resolution authorizing the bonds to the municipal or county fiscal  
22 officer, who shall then prepare the bonds, subject to subsection (p). The  
23 seal of the unit must be impressed on the bonds, or a facsimile of the  
24 seal must be printed on the bonds.
- 25 (e) The bonds must be executed by the appropriate officer of the  
26 unit, and attested by the municipal or county fiscal officer.
- 27 (f) The bonds are exempt from taxation for all purposes.
- 28 (g) The municipal or county fiscal officer shall give notice of the  
29 sale of the bonds by publication in accordance with IC 5-3-1. The  
30 municipal fiscal officer, or county fiscal officer or executive, shall sell  
31 the bonds to the highest bidder, but may not sell them for less than  
32 ninety-seven percent (97%) of their par value. However, bonds payable  
33 solely or in part from tax proceeds allocated under section 39(b)(2) of  
34 this chapter, or other revenues of the district may be sold at a private  
35 negotiated sale.
- 36 (h) Except as provided in subsection (i), a redevelopment  
37 commission may not issue the bonds when the total issue, including  
38 bonds already issued and to be issued, exceeds two percent (2%) of the

1 adjusted value of the taxable property in the special taxing district, as  
2 determined under IC 36-1-15.

3 (i) The bonds are not a corporate obligation of the unit but are an  
4 indebtedness of the taxing district. The bonds and interest are payable,  
5 as set forth in the bond resolution of the redevelopment commission:

6 (1) from a special tax levied upon all of the property in the taxing  
7 district, as provided by section 27 of this chapter;

8 (2) from the tax proceeds allocated under section 39(b)(2) of this  
9 chapter;

10 (3) from other revenues available to the redevelopment  
11 commission; or

12 (4) from a combination of the methods stated in subdivisions (1)  
13 through (3).

14 If the bonds are payable solely from the tax proceeds allocated under  
15 section 39(b)(2) of this chapter, other revenues of the redevelopment  
16 commission, or any combination of these sources, they may be issued  
17 in any amount without limitation.

18 (j) Proceeds from the sale of bonds may be used to pay the cost of  
19 interest on the bonds for a period not to exceed five (5) years from the  
20 date of issuance.

21 (k) All laws relating to the giving of notice of the issuance of bonds,  
22 the giving of notice of a hearing on the appropriation of the proceeds  
23 of the bonds, the right of taxpayers to appear and be heard on the  
24 proposed appropriation, and the approval of the appropriation by the  
25 department of local government finance apply to all bonds issued under  
26 this chapter that are payable from the special benefits tax levied  
27 pursuant to section 27 of this chapter or from taxes allocated under  
28 section 39 of this chapter.

29 (l) All laws relating to:

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

31 (2) the right of:

32 (A) taxpayers and voters to remonstrate against the issuance of  
33 bonds **in the case of a proposed bond issue described by**  
34 **IC 6-1.1-20-3.1(a); or**

35 (B) voters to vote on the issuance of bonds in the case of a  
36 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

37 apply to bonds issued under this chapter, except for bonds payable  
38 solely from tax proceeds allocated under section 39(b)(2) of this

1 chapter, other revenues of the redevelopment commission, or any  
2 combination of these sources.

3 (m) If a debt service reserve is created from the proceeds of bonds,  
4 the debt service reserve may be used to pay principal and interest on  
5 the bonds as provided in the bond resolution.

6 (n) Any amount remaining in the debt service reserve after all of the  
7 bonds of the issue for which the debt service reserve was established  
8 have matured shall be deposited in the allocation fund established  
9 under section 39(b)(2) of this chapter.

10 (o) If bonds are issued under this chapter that are payable solely or  
11 in part from revenues to the redevelopment commission from a project  
12 or projects, the redevelopment commission may adopt a resolution or  
13 trust indenture or enter into covenants as is customary in the issuance  
14 of revenue bonds. The resolution or trust indenture may pledge or  
15 assign the revenues from the project or projects, but may not convey or  
16 mortgage any project or parts of a project. The resolution or trust  
17 indenture may also contain any provisions for protecting and enforcing  
18 the rights and remedies of the bond owners as may be reasonable and  
19 proper and not in violation of law, including covenants setting forth the  
20 duties of the redevelopment commission. The redevelopment  
21 commission may establish fees and charges for the use of any project  
22 and covenant with the owners of any bonds to set those fees and  
23 charges at a rate sufficient to protect the interest of the owners of the  
24 bonds. Any revenue bonds issued by the redevelopment commission  
25 that are payable solely from revenues of the commission shall contain  
26 a statement to that effect in the form of bond.

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

31 SECTION 40. IC 36-7-14.5-12.5, AS AMENDED BY  
32 P.L.219-2007, SECTION 127, IS AMENDED TO READ AS  
33 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12.5. (a) This section  
34 applies only to an authority in a county having a United States  
35 government military base that is scheduled for closing or is completely  
36 or partially inactive or closed.

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

1 (1) by following the procedures set forth in IC 36-7-14-41 for the  
2 establishment of an economic development area by a  
3 redevelopment commission; and

4 (2) with the same effect as if the economic development area was  
5 created by a redevelopment commission.

6 The area established under this section shall be established only in the  
7 area where a United States government military base that is scheduled  
8 for closing or is completely or partially inactive or closed is or was  
9 located.

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

13 (1) Acquire by purchase, exchange, gift, grant, condemnation, or  
14 lease, or any combination of methods, any personal property or  
15 interest in real property needed for the redevelopment of  
16 economic development areas located within the corporate  
17 boundaries of the unit.

18 (2) Hold, use, sell (by conveyance by deed, land sale contract, or  
19 other instrument), exchange, lease, rent, or otherwise dispose of  
20 property acquired for use in the redevelopment of economic  
21 development areas on the terms and conditions that the authority  
22 considers best for the unit and the unit's inhabitants.

23 (3) Sell, lease, or grant interests in all or part of the real property  
24 acquired for redevelopment purposes to any other department of  
25 the unit or to any other governmental agency for public ways,  
26 levees, sewerage, parks, playgrounds, schools, and other public  
27 purposes on any terms that may be agreed on.

28 (4) Clear real property acquired for redevelopment purposes.

29 (5) Repair and maintain structures acquired for redevelopment  
30 purposes.

31 (6) Remodel, rebuild, enlarge, or make major structural  
32 improvements on structures acquired for redevelopment purposes.

33 (7) Survey or examine any land to determine whether the land  
34 should be included within an economic development area to be  
35 acquired for redevelopment purposes and to determine the value  
36 of that land.

37 (8) Appear before any other department or agency of the unit, or  
38 before any other governmental agency in respect to any matter

- 1 affecting:
- 2 (A) real property acquired or being acquired for
- 3 redevelopment purposes; or
- 4 (B) any economic development area within the jurisdiction of
- 5 the authority.
- 6 (9) Institute or defend in the name of the unit any civil action, but
- 7 all actions against the authority must be brought in the circuit or
- 8 superior court of the county where the authority is located.
- 9 (10) Use any legal or equitable remedy that is necessary or
- 10 considered proper to protect and enforce the rights of and perform
- 11 the duties of the authority.
- 12 (11) Exercise the power of eminent domain in the name of and
- 13 within the corporate boundaries of the unit subject to the same
- 14 conditions and procedures that apply to the exercise of the power
- 15 of eminent domain by a redevelopment commission under
- 16 IC 36-7-14.
- 17 (12) Appoint an executive director, appraisers, real estate experts,
- 18 engineers, architects, surveyors, and attorneys.
- 19 (13) Appoint clerks, guards, laborers, and other employees the
- 20 authority considers advisable, except that those appointments
- 21 must be made in accordance with the merit system of the unit if
- 22 such a system exists.
- 23 (14) Prescribe the duties and regulate the compensation of
- 24 employees of the authority.
- 25 (15) Provide a pension and retirement system for employees of
- 26 the authority by using the public employees' retirement fund or a
- 27 retirement plan approved by the United States Department of
- 28 Housing and Urban Development.
- 29 (16) Discharge and appoint successors to employees of the
- 30 authority subject to subdivision (13).
- 31 (17) Rent offices for use of the department or authority, or accept
- 32 the use of offices furnished by the unit.
- 33 (18) Equip the offices of the authority with the necessary
- 34 furniture, furnishings, equipment, records, and supplies.
- 35 (19) Design, order, contract for, and construct, reconstruct,
- 36 improve, or renovate the following:
- 37 (A) Any local public improvement or structure that is
- 38 necessary for redevelopment purposes or economic

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

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

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

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

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

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

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

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

33 STEP TWO: Divide:

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

38 (B) the STEP ONE sum.

1           STEP THREE: Multiply:  
 2           (A) the STEP TWO quotient; by  
 3           (B) the total amount of the taxpayer's taxes (as defined in  
 4           IC 6-1.1-21-2) levied in the taxing district that have been  
 5           allocated during that year to an allocation fund under this  
 6           section.

7           If not all the taxpayers in an allocation area receive the credit in  
 8           full, each taxpayer in the allocation area is entitled to receive the  
 9           same proportion of the credit. A taxpayer may not receive a credit  
 10          under this section and a credit under IC 36-7-14-39.5 in the same  
 11          year.

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

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

17           (A) in the allocation area; and  
 18           (B) on a parcel of real property that has been classified as  
 19           industrial property under the rules of the department of local  
 20           government finance.

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

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

38           (1) The authority shall certify a copy of the resolution authorizing

- 1 the bonds to the municipal or county fiscal officer, who shall then  
 2 prepare the bonds. The seal of the unit must be impressed on the  
 3 bonds, or a facsimile of the seal must be printed on the bonds.
- 4 (2) The bonds must be executed by the appropriate officer of the  
 5 unit and attested by the unit's fiscal officer.
- 6 (3) The bonds are exempt from taxation for all purposes.
- 7 (4) Bonds issued under this section may be sold at public sale in  
 8 accordance with IC 5-1-11 or at a negotiated sale.
- 9 (5) The bonds are not a corporate obligation of the unit but are an  
 10 indebtedness of the taxing district. The bonds and interest are  
 11 payable, as set forth in the bond resolution of the authority:
- 12 (A) from the tax proceeds allocated under subsection (d);  
 13 (B) from other revenues available to the authority; or  
 14 (C) from a combination of the methods stated in clauses (A)  
 15 and (B).
- 16 (6) Proceeds from the sale of bonds may be used to pay the cost  
 17 of interest on the bonds for a period not to exceed five (5) years  
 18 from the date of issuance.
- 19 (7) Laws relating to:
- 20 (A) the filing of petitions requesting the issuance of bonds;  
 21 and  
 22 (B) the right of:
- 23 (i) taxpayers and voters to remonstrate against the issuance  
 24 of bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**  
 25 **(ii) voters to vote on the proposed issuance of bonds**  
 26 **under IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**
- 27 do not apply to bonds issued under this section.
- 28 (8) If a debt service reserve is created from the proceeds of bonds,  
 29 the debt service reserve may be used to pay principal and interest  
 30 on the bonds as provided in the bond resolution.
- 31 (9) If bonds are issued under this chapter that are payable solely  
 32 or in part from revenues to the authority from a project or  
 33 projects, the authority may adopt a resolution or trust indenture or  
 34 enter into covenants as is customary in the issuance of revenue  
 35 bonds. The resolution or trust indenture may pledge or assign the  
 36 revenues from the project or projects. The resolution or trust  
 37 indenture may also contain any provisions for protecting and  
 38 enforcing the rights and remedies of the bond owners as may be

1 reasonable and proper and not in violation of law, including  
2 covenants setting forth the duties of the authority. The authority  
3 may establish fees and charges for the use of any project and  
4 covenant with the owners of any bonds to set those fees and  
5 charges at a rate sufficient to protect the interest of the owners of  
6 the bonds. Any revenue bonds issued by the authority that are  
7 payable solely from revenues of the authority shall contain a  
8 statement to that effect in the form of bond.

9 (f) Notwithstanding section 8(a) of this chapter, an ordinance  
10 adopted under ~~section 11~~ of this chapter may provide, or be amended  
11 to provide, that the board of directors of the authority shall be  
12 composed of not fewer than three (3) nor more than eleven (11)  
13 members, who must be residents of the unit appointed by the executive  
14 of the unit.

15 (g) The acquisition of real and personal property by an authority  
16 under this section is not subject to the provisions of IC 5-22,  
17 IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the  
18 purchase of property by public bodies or their agencies.

19 (h) An authority may negotiate for the sale, lease, or other  
20 disposition of real and personal property without complying with the  
21 provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other  
22 statute governing the disposition of public property.

23 (i) Notwithstanding any other law, utility services provided within  
24 an economic development area established under this section are  
25 subject to regulation by the appropriate regulatory agencies unless the  
26 utility service is provided by a utility that provides utility service solely  
27 within the geographic boundaries of an existing or a closed military  
28 installation, in which case the utility service is not subject to regulation  
29 for purposes of rate making, regulation, service delivery, or issuance of  
30 bonds or other forms of indebtedness. However, this exemption from  
31 regulation does not apply to utility service if the service is generated,  
32 treated, or produced outside the boundaries of the existing or closed  
33 military installation.

34 SECTION 41. IC 36-7-15.1-17, AS AMENDED BY P.L.219-2007,  
35 SECTION 128, IS AMENDED TO READ AS FOLLOWS  
36 [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) In addition to other methods  
37 of raising money for property acquisition or redevelopment in a  
38 redevelopment project area, and in anticipation of the special tax to be

1 levied under section 19 of this chapter, the taxes allocated under  
 2 section 26 of this chapter, or other revenues of the redevelopment  
 3 district, the commission may, by resolution, issue the bonds of the  
 4 redevelopment district in the name of the consolidated city and in  
 5 accordance with IC 36-3-5-8. The amount of the bonds may not exceed  
 6 the total, as estimated by the commission, of all expenses reasonably  
 7 incurred in connection with the acquisition and redevelopment of the  
 8 property, including:

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

11 (2) all reasonable and necessary architectural, engineering, legal,  
 12 financing, accounting, advertising, bond discount, and  
 13 supervisory expenses related to the acquisition and redevelopment  
 14 of the property or the issuance of bonds;

15 (3) capitalized interest permitted in this chapter and a debt service  
 16 reserve for the bonds, to the extent that the redevelopment  
 17 commission determines that a reserve is reasonably required;

18 (4) the total cost of all clearing and construction work provided  
 19 for in the resolution; and

20 (5) expenses that the commission is required or permitted to pay  
 21 under IC 8-23-17.

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

26 (c) The bonds must be dated as set forth in the bond resolution and  
 27 negotiable subject to the requirements of the bond resolution for the  
 28 registration of the bonds. The resolution authorizing the bonds must  
 29 state:

30 (1) the denominations of the bonds;

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

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

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

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

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

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

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

11 (h) The bonds are not a corporate obligation of the city but are an  
 12 indebtedness of the redevelopment district. The bonds and interest are  
 13 payable:

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

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

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

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

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

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

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

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

31 (2) the right of:

32 (A) taxpayers and voters to remonstrate against the issuance of  
 33 bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**

34 (B) voters to vote on the proposed issuance of bonds under  
 35 **IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**

36 applicable to bonds issued under this chapter do not apply to bonds  
 37 payable solely or in part from tax proceeds allocated under section  
 38 26(b)(2) of this chapter, other revenues of the commission, or any

1 combination of these sources.

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

18 SECTION 42. IC 36-7-15.1-45, AS AMENDED BY P.L.219-2007,  
 19 SECTION 132, IS AMENDED TO READ AS FOLLOWS  
 20 [EFFECTIVE JULY 1, 2008]: Sec. 45. (a) In addition to other methods  
 21 of raising money for property acquisition or redevelopment in a  
 22 redevelopment project area, and in anticipation of the special tax to be  
 23 levied under section 50 of this chapter, the taxes allocated under  
 24 section 53 of this chapter, or other revenues of the redevelopment  
 25 district, a commission may, by resolution, issue the bonds of its  
 26 redevelopment district in the name of the excluded city. The amount of  
 27 the bonds may not exceed the total, as estimated by the commission, of  
 28 all expenses reasonably incurred in connection with the acquisition and  
 29 redevelopment of the property, including:

- 30 (1) the total cost of all land, rights-of-way, and other property to  
 31 be acquired and redeveloped;  
 32 (2) all reasonable and necessary architectural, engineering, legal,  
 33 financing, accounting, advertising, bond discount, and  
 34 supervisory expenses related to the acquisition and redevelopment  
 35 of the property or the issuance of bonds;  
 36 (3) capitalized interest permitted in this chapter and a debt service  
 37 reserve for the bonds, to the extent that the redevelopment  
 38 commission determines that a reserve is reasonably required;

1 (4) the total cost of all clearing and construction work provided  
2 for in the resolution; and

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

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

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

12 (1) the denominations of the bonds;

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

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

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

17 (d) The commission shall certify a copy of the resolution authorizing  
18 the bonds to the fiscal officer of the excluded city, who shall then  
19 prepare the bonds. The seal of the unit must be impressed on the bonds,  
20 or a facsimile of the seal must be printed on the bonds.

21 (e) The bonds shall be executed by the excluded city executive and  
22 attested by the excluded city fiscal officer. The interest coupons, if any,  
23 shall be executed by the facsimile signature of the excluded city fiscal  
24 officer.

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

26 (g) The excluded city fiscal officer shall sell the bonds according to  
27 law. Bonds payable solely or in part from tax proceeds allocated under  
28 section 53(b)(2) of this chapter or other revenues of the district may be  
29 sold at private negotiated sale and at a price or prices not less than  
30 ninety-seven percent (97%) of the par value.

31 (h) The bonds are not a corporate obligation of the excluded city but  
32 are an indebtedness of the redevelopment district. The bonds and  
33 interest are payable:

34 (1) from a special tax levied upon all of the property in the  
35 redevelopment district, as provided by section 50 of this chapter;

36 (2) from the tax proceeds allocated under section 53(b)(2) of this  
37 chapter;

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

1 (4) from a combination of the methods described in subdivisions  
2 (1) through (3);

3 and from any revenues of the designated project. If the bonds are  
4 payable solely from the tax proceeds allocated under section 53(b)(2)  
5 of this chapter, other revenues of the redevelopment commission, or  
6 any combination of these sources, they may be issued in any amount  
7 without limitation.

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

11 (j) The laws relating to:

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

13 (2) the right of:

14 (A) taxpayers and voters to remonstrate against the issuance of  
15 bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**

16 **(B) voters to vote on the proposed issuance of bonds under**  
17 **IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**

18 applicable to bonds issued under this chapter do not apply to bonds  
19 payable solely or in part from tax proceeds allocated under section  
20 53(b)(2) of this chapter, other revenues of the commission, or any  
21 combination of these sources.

22 (k) If bonds are issued under this chapter that are payable solely or  
23 in part from revenues to a commission from a project or projects, a  
24 commission may adopt a resolution or trust indenture or enter into  
25 covenants as is customary in the issuance of revenue bonds. The  
26 resolution or trust indenture may pledge or assign the revenues from  
27 the project or projects but may not convey or mortgage any project or  
28 parts of a project. The resolution or trust indenture may also contain  
29 any provisions for protecting and enforcing the rights and remedies of  
30 the bond owners as may be reasonable and proper and not in violation  
31 of law, including covenants setting forth the duties of the commission.  
32 The commission may establish fees and charges for the use of any  
33 project and covenant with the owners of bonds to set those fees and  
34 charges at a rate sufficient to protect the interest of the owners of the  
35 bonds. Any revenue bonds issued by the commission that are payable  
36 solely from revenues of the commission must contain a statement to  
37 that effect in the form of bond.

38 SECTION 43. IC 36-7-30-18, AS AMENDED BY P.L.219-2007,

1 SECTION 134, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 2008]: Sec. 18. (a) In addition to other methods  
 3 of raising money for property acquisition, redevelopment, or economic  
 4 development activities in or directly serving or benefiting a military  
 5 base reuse area, and in anticipation of the taxes allocated under section  
 6 25 of this chapter, other revenues of the district, or any combination of  
 7 these sources, the reuse authority may by resolution issue the bonds of  
 8 the special taxing district in the name of the unit.

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

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

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

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

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

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

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

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

33 (h) All 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 of  
 37 bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**  
 38 (B) voters to vote on the proposed issuance of bonds under

1                   **IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**

2 do not apply to bonds issued under this chapter.

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

6           (j) If bonds are issued under this chapter that are payable solely or  
7 in part from revenues of the reuse authority, the reuse authority may  
8 adopt a resolution or trust indenture or enter into covenants as is  
9 customary in the issuance of revenue bonds. The resolution or trust  
10 indenture may pledge or assign revenues of the reuse authority and  
11 properties becoming available to the reuse authority under this chapter.  
12 The resolution or trust indenture may also contain provisions for  
13 protecting and enforcing the rights and remedies of the bond owners as  
14 may be reasonable and proper and not in violation of law, including a  
15 covenant setting forth the duties of the reuse authority. The reuse  
16 authority may establish fees and charges for the use of any project and  
17 covenant with the owners of any bonds to set the fees and charges at a  
18 rate sufficient to protect the interest of the owners of the bonds.  
19 Revenue bonds issued by the reuse authority that are payable solely  
20 from revenues of the reuse authority shall contain a statement to that  
21 effect in the form of the bond.

22           SECTION 44. IC 36-7-30.5-23, AS AMENDED BY P.L.219-2007,  
23 SECTION 137, IS AMENDED TO READ AS FOLLOWS  
24 [EFFECTIVE JULY 1, 2008]: Sec. 23. (a) In addition to other methods  
25 of raising money for property acquisition, redevelopment, reuse, or  
26 economic development activities in or directly serving or ~~benefitting~~  
27 **benefitting** a military base development area, and in anticipation of the  
28 taxes allocated under section 30 of this chapter, other revenues of the  
29 district, or any combination of these sources, the development authority  
30 may by resolution issue the bonds of the development authority.

31           (b) The secretary-treasurer of the development authority shall  
32 prepare the bonds. The seal of the development authority must be  
33 impressed on the bonds or a facsimile of the seal must be printed on the  
34 bonds.

35           (c) The bonds must be executed by the president of the development  
36 authority and attested by the secretary-treasurer.

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

38           (e) Bonds issued under this section may be sold at public sale in

1 accordance with IC 5-1-11 or at a negotiated sale.

2 (f) The bonds are not a corporate obligation of a unit but are an  
3 indebtedness of only the development authority. The bonds and interest  
4 are payable, as set forth in the bond resolution of the development  
5 authority, from any of the following:

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

10 The bonds issued under this section may be issued in any amount  
11 without limitation.

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

15 (h) All laws relating to:

- 16 (1) the filing of petitions requesting the issuance of bonds; and  
17 (2) the right of:  
18 (A) taxpayers and voters to remonstrate against the issuance of  
19 bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**  
20 **(B) voters to vote on the proposed issuance of bonds under**  
21 **IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**

22 do not apply to bonds issued under this chapter.

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

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

1 sufficient to protect the interest of the owners of the bonds. Revenue  
2 bonds issued by the development authority that are payable solely from  
3 revenues of the development authority shall contain a statement to that  
4 effect in the form of the bond.

5 SECTION 45. IC 36-9-3-31, AS AMENDED BY P.L.219-2007,  
6 SECTION 141, IS AMENDED TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2008]: Sec. 31. (a) This section applies to an  
8 authority that includes a county having a population of more than four  
9 hundred thousand (400,000) but less than seven hundred thousand  
10 (700,000).

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

13 (c) The board may issue revenue bonds of the authority for the  
14 purpose of procuring money to pay the cost of acquiring real or  
15 personal property for the purpose of this chapter. The issuance of bonds  
16 must be authorized by resolution of the board and approved by the  
17 county fiscal bodies of the counties in the authority before issuance.  
18 The resolution must provide for the amount, terms, and tenor of the  
19 bonds, and for the time and character of notice and mode of making  
20 sale of the bonds.

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

27 (e) The president of the authority shall manage and supervise the  
28 preparation, advertisement, and sale of the bonds, subject to the  
29 authorizing ordinance. Before the sale of bonds, the president shall  
30 cause notice of the sale to be published in accordance with IC 5-3-1,  
31 setting out the time and place where bids will be received, the amount  
32 and maturity dates of the issue, the maximum interest rate, and the  
33 terms and conditions of sale and delivery of the bonds. The bonds shall  
34 be sold in accordance with IC 5-1-11. After the bonds have been  
35 properly sold and executed, the executive director or president shall  
36 deliver them to the controller of the authority and take a receipt for  
37 them, and shall certify to the treasurer the amount that the purchaser is  
38 to pay, together with the name and address of the purchaser. On

1 payment of the purchase price the controller shall deliver the bonds to  
 2 the purchaser, and the controller and executive director or president  
 3 shall report their actions to the board.

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

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

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

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

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

12 (5) The right of:

13 (A) taxpayers and voters to remonstrate against the issuance of  
 14 bonds ~~and in the case of a proposed bond issue described by~~  
 15 **IC 6-1.1-20-3.1(a); or**

16 **(B) voters to vote on the issuance of bonds in the case of a**  
 17 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

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

19 (g) Notice of the filing of a petition requesting the issuance of  
 20 bonds, notice of determination to issue bonds, and notice of the  
 21 appropriation of the proceeds of the bonds shall be given by posting in  
 22 the offices of the authority for a period of one (1) week and by  
 23 publication in accordance with IC 5-3-1.

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

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

33 SECTION 46. IC 36-9-4-45, AS AMENDED BY P.L.219-2007,  
 34 SECTION 142, IS AMENDED TO READ AS FOLLOWS  
 35 [EFFECTIVE JULY 1, 2008]: Sec. 45. (a) Bonds issued under this  
 36 chapter:

37 (1) shall be issued in the denomination;

38 (2) are payable over a period not to exceed thirty (30) years from

1 the date of the bonds; and

2 (3) mature;

3 as determined by the ordinance authorizing the bond issue.

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

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

8 (1) filing petitions requesting the issuance of bonds and giving  
9 notice of those petitions;

10 (2) giving notice of a hearing on the appropriation of the proceeds  
11 of the bonds;

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

14 (4) the approval of the appropriation by the department of local  
15 government finance; and

16 (5) the right of:

17 (A) taxpayers and voters to remonstrate against the issuance of  
18 bonds **in the case of a proposed bond issue described by**  
19 **IC 6-1.1-20-3.1(a); or**

20 (B) voters to vote on the issuance of bonds in the case of a  
21 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

22 apply to the issuance of bonds under this chapter.

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

26 SECTION 47. IC 36-10-3-24, AS AMENDED BY P.L.219-2007,  
27 SECTION 144, IS AMENDED TO READ AS FOLLOWS  
28 [EFFECTIVE JULY 1, 2008]: Sec. 24. (a) In order to raise money to  
29 pay for land to be acquired for any of the purposes named in this  
30 chapter, to pay for an improvement authorized by this chapter, or both,  
31 and in anticipation of the special benefit tax to be levied as provided in  
32 this chapter, the board shall cause to be issued, in the name of the unit,  
33 the bonds of the district. The bonds may not exceed in amount the total  
34 cost of all land to be acquired and all improvements described in the  
35 resolution, including all expenses necessarily incurred in connection  
36 with the proceedings, together with a sum sufficient to pay the costs of  
37 supervision and inspection during the period of construction of a work.

38 The expenses to be covered in the bond issue include all expenses of

1 every kind actually incurred preliminary to acquiring the land and the  
 2 construction of the work, such as the cost of the necessary record,  
 3 engineering expenses, publication of notices, preparation of bonds, and  
 4 other necessary expenses. If more than one (1) resolution or proceeding  
 5 of the board under section 23 of this chapter is confirmed whereby  
 6 different parcels of land are to be acquired, or more than one (1)  
 7 contract for work is let by the board at approximately the same time,  
 8 the cost involved under all of the resolutions and proceedings may be  
 9 included in one (1) issue of bonds.

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

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

- 22 (1) the filing of a petition requesting the issuance of bonds;
- 23 (2) the right of:
  - 24 (A) taxpayers and voters to remonstrate against the issuance of
  - 25 bonds **in the case of a proposed bond issue described by**
  - 26 **IC 6-1.1-20-3.1(a); or**
  - 27 (B) voters to vote on the issuance of bonds in the case of a
  - 28 **proposed bond issue described by IC 6-1.1-20-3.5(a);**
- 29 (3) the appropriation of the proceeds of the bonds and approval by
- 30 the department of local government finance; and
- 31 (4) the sale of bonds at public sale for not less than their par
- 32 value.

33 (d) The board may not have bonds of the district issued under this  
 34 section that are payable by special taxation when the total issue for that  
 35 purpose, including the bonds already issued or to be issued, exceeds  
 36 two percent (2%) of the adjusted value of the taxable property in the  
 37 district as determined under IC 36-1-15. All bonds or obligations  
 38 issued in violation of this subsection are void. The bonds are not

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

6 SECTION 48. IC 36-10-4-35 IS AMENDED TO READ AS  
7 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 35. (a) In order to pay  
8 for:

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

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

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

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

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

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

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

8 (2) the right of:

9 (A) taxpayers to remonstrate against the issuance of bonds **in**  
 10 **the case of a proposed bond issue described by**  
 11 **IC 6-1.1-20-3.1(a); or**

12 (B) voters to vote on the issuance of bonds in the case of a  
 13 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

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

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

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

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

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

33 SECTION 49. IC 36-10-7.5-22, AS AMENDED BY P.L.219-2007,  
 34 SECTION 145, IS AMENDED TO READ AS FOLLOWS  
 35 [EFFECTIVE JULY 1, 2008]: Sec. 22. (a) To raise money to pay for  
 36 land to be acquired for any of the purposes named in this chapter or to  
 37 pay for an improvement authorized by this chapter, and in anticipation  
 38 of the special benefit tax to be levied as provided in this chapter, the

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

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

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

- 29 (1) the filing of a petition requesting the issuance of bonds;  
 30 (2) the right of:  
 31 (A) taxpayers and voters to remonstrate against the issuance of  
 32 bonds **in the case of a proposed bond issue described by**  
 33 **IC 6-1.1-20-3.1(a); or**  
 34 (B) voters to vote on the issuance of bonds in the case of a  
 35 **proposed bond issue described by IC 6-1.1-20-3.5(a);**  
 36 (3) the appropriation of the proceeds of the bonds with the  
 37 approval of the department of local government finance; and  
 38 (4) the sale of bonds at public sale for not less than the par value

1 of the bonds.

2 (d) The legislative body may not have bonds of the district issued  
3 under this section that are payable by special taxation when the total  
4 issue for that purpose, including the bonds already issued or to be  
5 issued, exceeds two percent (2%) of the total adjusted value of the  
6 taxable property in the district as determined under IC 36-1-15. All  
7 bonds or obligations issued in violation of this subsection are void. The  
8 bonds are not obligations or indebtedness of the township but constitute  
9 an indebtedness of the district as a special taxing district. The bonds  
10 and interest are payable only out of a special tax levied upon all the  
11 property of the district as prescribed by this chapter. A bond must  
12 recite the terms upon the face of the bond, together with the purposes  
13 for which the bond is issued.

14 SECTION 50. IC 36-10-8-16, AS AMENDED BY P.L.219-2007,  
15 SECTION 146, IS AMENDED TO READ AS FOLLOWS  
16 [EFFECTIVE JULY 1, 2008]: Sec. 16. (a) A capital improvement may  
17 be financed in whole or in part by the issuance of general obligation  
18 bonds of the county or, if the authority was created under IC 18-7-18  
19 (before its repeal on February 24, 1982), also of the city, if the board  
20 determines that the estimated annual net income of the capital  
21 improvement, plus the estimated annual tax revenues to be derived  
22 from any tax revenues made available for this purpose, will not be  
23 sufficient to satisfy and pay the principal of and interest on all bonds  
24 issued under this chapter, including the bonds then proposed to be  
25 issued.

26 (b) If the board desires to finance a capital improvement in whole  
27 or in part as provided in this section, it shall have prepared a resolution  
28 to be adopted by the county executive authorizing the issuance of  
29 general obligation bonds, or, if the authority was created under  
30 IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body  
31 of the city authorizing the issuance of general obligation bonds. The  
32 resolution must set forth an itemization of the funds and assets received  
33 by the board, together with the board's valuation and certification of the  
34 cost. The resolution must state the date or dates on which the principal  
35 of the bonds is payable, the maximum interest rate to be paid, and the  
36 other terms upon which the bonds shall be issued. The board shall  
37 submit the proposed resolution to the proper officers, together with a  
38 certificate to the effect that the issuance of bonds in accordance with

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

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

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

15 (1) the filing of a petition requesting the issuance of bonds and  
 16 giving notice;

17 (2) the right of:

18 (A) taxpayers and voters to remonstrate against the issuance of  
 19 bonds **in the case of a proposed bond issue described by**  
 20 **IC 6-1.1-20-3.1(a); or**

21 **(B) voters to vote on the issuance of bonds in the case of a**  
 22 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

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

24 (4) the giving of notice of a hearing on the appropriation of the  
 25 proceeds of bonds;

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

28 (6) the approval of the appropriation by the department of local  
 29 government finance; and

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

31 apply to the issuance of bonds under this section.

32 SECTION 51. IC 36-10-9-15, AS AMENDED BY P.L.219-2007,  
 33 SECTION 147, IS AMENDED TO READ AS FOLLOWS  
 34 [EFFECTIVE JULY 1, 2008]: Sec. 15. (a) A capital improvement may  
 35 be financed in whole or in part by the issuance of general obligation  
 36 bonds of the county.

37 (b) If the board desires to finance a capital improvement in whole  
 38 or in part as provided in this section, it shall have prepared a resolution

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

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

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

- 23 (1) the filing of a petition requesting the issuance of bonds and  
 24 giving notice;  
 25 (2) the right of:  
 26 (A) taxpayers and voters to remonstrate against the issuance of  
 27 bonds **in the case of a proposed bond issue described by**  
 28 **IC 6-1.1-20-3.1(a); or**  
 29 **(B) voters to vote on the issuance of bonds in the case of a**  
 30 **proposed bond issue described by IC 6-1.1-20-3.5(a);**  
 31 (3) the giving of notice of the determination to issue bonds;  
 32 (4) the giving of notice of a hearing on the appropriation of the  
 33 proceeds of bonds;  
 34 (5) the right of taxpayers to appear and be heard on the proposed  
 35 appropriation;  
 36 (6) the approval of the appropriation by the department of local  
 37 government finance; and  
 38 (7) the sale of bonds at public sale for not less than par value;

- 1 are applicable to the issuance of bonds under this section.".
- 2 Renumber all SECTIONS consecutively.  
(Reference is to SB 18 as introduced.)

**and when so amended that said bill do pass.**

Committee Vote: Yeas 9, Nays 3.

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**Kenley**

**Chairperson**