



January 27, 2010

SENATE BILL No. 339

DIGEST OF SB 339 (Updated January 25, 2010 12:14 pm - DI 14)

Citations Affected: IC 4-10; IC 8-10; IC 14-8; IC 36-7; IC 36-7.5; noncode.

Synopsis: Lake Michigan marina and shoreline development. Combines the Lake Michigan marina development commission and the shoreline development commission into a new entity called the Lake Michigan marina and shoreline development commission. Provides that the Lake Michigan marina and shoreline development commission has the powers and duties specified for the two predecessor commissions. Specifies the membership of the Lake Michigan marina and shoreline development commission. Repeals statutes related to an executive committee in the laws governing the Lake Michigan marina and shoreline development commission. Provides that on July 1, 2010, the rights, duties, property, personnel, liabilities, and contractual obligations of the two predecessor commissions are transferred to the Lake Michigan marina and shoreline development commission. Makes conforming amendments to the statutes referring to the two predecessor commissions. Repeals superseded provisions.

Effective: July 1, 2010.

Tallian, Landske

January 12, 2010, read first time and referred to Committee on Natural Resources.
January 26, 2010, reported favorably — Do Pass.

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SB 339—LS 6938/DI 73+



January 27, 2010

Second Regular Session 116th General Assembly (2010)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2009 Regular and Special Sessions of the General Assembly.

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SENATE BILL No. 339



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

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

1 SECTION 1. IC 4-10-18-10, AS AMENDED BY P.L.182-2009(ss),
2 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2010]: Sec. 10. (a) The state board of finance may lend money
4 from the fund to entities listed in subsections (e) through (k) for the
5 purposes specified in those subsections.

6 (b) An entity must apply for the loan before May 1, 1989, in a form
7 approved by the state board of finance. As part of the application, the
8 entity shall submit a plan for its use of the loan proceeds and for the
9 repayment of the loan. Within sixty (60) days after receipt of each
10 application, the board shall meet to consider the application and to
11 review its accuracy and completeness and to determine the need for the
12 loan. The board shall authorize a loan to an entity that makes an
13 application if the board approves its accuracy and completeness and
14 determines that there is a need for the loan and an adequate method of
15 repayment.

16 (c) The state board of finance shall determine the terms of each
17 loan, which must include the following:

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- 1 (1) The duration of the loan, which must not exceed twelve (12)
- 2 years.
- 3 (2) The repayment schedule of the loan, which must provide that
- 4 no payments are due during the first two (2) years of the loan.
- 5 (3) A variable rate of interest to be determined by the board and
- 6 adjusted annually. The interest rate must be the greater of:
- 7 (A) five percent (5%); or
- 8 (B) two-thirds (2/3) of the interest rate for fifty-two (52) week
- 9 United States Treasury bills on the anniversary date of the
- 10 loan, but not to exceed ten percent (10%).
- 11 (4) The amount of the loan or loans, which may not exceed the
- 12 maximum amounts established for the entity by this section.
- 13 (5) Any other conditions specified by the board.
- 14 (d) An entity may borrow money under this section by adoption of
- 15 an ordinance or a resolution and, as set forth in IC 5-1-14, may use any
- 16 source of revenue to repay a loan under this section. This section
- 17 constitutes complete authority for the entity to borrow from the fund.
- 18 If an entity described in subsection (i) fails to make any repayments of
- 19 a loan, the amount payable shall be withheld by the auditor of state
- 20 from any other money payable to the consolidated city. If any other
- 21 entity described in this section fails to make any repayments of a loan,
- 22 the amount payable shall be withheld by the auditor of state from any
- 23 other money payable to the entity. The amount withheld shall be
- 24 transferred to the fund to the credit of the entity.
- 25 (e) A loan under this section may be made to a city located in a
- 26 county having a population of more than twenty-four thousand (24,000)
- 27 but less than twenty-five thousand (25,000) for the city's waterworks
- 28 facility. The amount of the loan may not exceed one million six
- 29 hundred thousand dollars (\$1,600,000).
- 30 (f) A loan under this section may be made to a city the territory of
- 31 which is included in part within the Lake Michigan corridor (as defined
- 32 in IC 14-13-3-2, **before its repeal**) for a marina development project.
- 33 As a part of its application under subsection (b), the city must include
- 34 the following:
- 35 (1) Written approval by the Lake Michigan marina development
- 36 commission of the project to be funded by the loan proceeds.
- 37 (2) A written determination by the commission of the amount
- 38 needed by the city, for the project and of the amount of the
- 39 maximum loan amount under this subsection that should be lent
- 40 to the city.
- 41 The maximum amount of loans available for all cities that are eligible
- 42 for a loan under this subsection is eight million six hundred thousand

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1 dollars (\$8,600,000).

2 (g) A loan under this section may be made to a county having a
3 population of more than one hundred seventy thousand (170,000) but
4 less than one hundred eighty thousand (180,000) for use by the airport
5 authority in the county for the construction of runways. The amount of
6 the loan may not exceed seven million dollars (\$7,000,000). The
7 county may lend the proceeds of its loan to an airport authority for the
8 public purpose of fostering economic growth in the county.

9 (h) A loan under this section may be made to a city having a
10 population of more than fifty-nine thousand (59,000) but less than
11 fifty-nine thousand seven hundred (59,700) for the construction of
12 parking facilities. The amount of the loan may not exceed three million
13 dollars (\$3,000,000).

14 (i) A loan or loans under this section may be made to a consolidated
15 city, a local public improvement bond bank, or any board, authority, or
16 commission of the consolidated city, to fund economic development
17 projects under IC 36-7-15.2-5 or to refund obligations issued to fund
18 economic development projects. The amount of the loan may not
19 exceed thirty million dollars (\$30,000,000).

20 (j) A loan under this section may be made to a county having a
21 population of more than thirteen thousand five hundred (13,500) but
22 less than fourteen thousand (14,000) for extension of airport runways.
23 The amount of the loan may not exceed three hundred thousand dollars
24 (\$300,000).

25 (k) A loan under this section may be made to Covington Community
26 School Corporation to refund the amount due on a tax anticipation
27 warrant loan. The amount of the loan may not exceed two million seven
28 hundred thousand dollars (\$2,700,000), to be paid back from any
29 source of money that is legally available to the school corporation.
30 Notwithstanding subsection (b), the school corporation must apply for
31 the loan before June 30, 2010. Notwithstanding subsection (c),
32 repayment of the loan shall be made in equal installments over five (5)
33 years with the first installment due not more than six (6) months after
34 the date loan proceeds are received by the school corporation.

35 (l) IC 6-1.1-20 does not apply to a loan made by an entity under this
36 section.

37 (m) As used in this section, "entity" means a governmental entity
38 authorized to obtain a loan under subsections (e) through (k).

39 SECTION 2. IC 8-10-9-3 IS AMENDED TO READ AS FOLLOWS
40 [EFFECTIVE JULY 1, 2010]: Sec. 3. (a) There is established in each
41 city to which this chapter applies a waterway management district.

42 (b) The district includes all territory, including both dry land and

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1 water, within a distance of one-half (1/2) mile on either side of the
2 center line of any waterway within the city in which the district is
3 established, excluding the land and water occupied by any marina
4 owned by a unit of government located in the corridor (as defined in
5 ~~IC 14-13-3-2~~; **IC 36-7-13.5-1**).

6 (c) The district boundary is formed by an imaginary line one-half
7 (1/2) mile distant from the center line of a waterway in all directions.
8 However, the boundary of the district does not extend beyond the
9 boundaries of the city in which the district is located in those areas
10 where the city boundary is located less than one-half (1/2) mile from
11 the center line of a waterway.

12 SECTION 3. IC 14-8-2-48, AS AMENDED BY P.L.85-2008,
13 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2010]: Sec. 48. (a) "Commission", except as provided in
15 subsections (b) through ~~(r)~~; **(q)**, refers to the natural resources
16 commission.

17 (b) "Commission", for purposes of IC 14-13-1, has the meaning set
18 forth in IC 14-13-1-1.

19 (c) "Commission", for purposes of IC 14-13-2, has the meaning set
20 forth in IC 14-13-2-2.

21 ~~(d)~~ "Commission", for purposes of ~~IC 14-13-3~~; has the meaning set
22 forth in ~~IC 14-13-3-1~~.

23 ~~(e)~~ **(d)** "Commission", for purposes of IC 14-13-4, has the meaning
24 set forth in IC 14-13-4-1.

25 ~~(f)~~ **(e)** "Commission", for purposes of IC 14-13-5, has the meaning
26 set forth in IC 14-13-5-1.

27 ~~(g)~~ **(f)** "Commission", for purposes of IC 14-13-6, has the meaning
28 set forth in IC 14-13-6-2.

29 ~~(h)~~ **(g)** "Commission", for purposes of IC 14-14-1, has the meaning
30 set forth in IC 14-14-1-3.

31 ~~(i)~~ **(h)** "Commission", for purposes of IC 14-20-4, has the meaning
32 set forth in IC 14-20-4-1.

33 ~~(j)~~ **(i)** "Commission", for purposes of IC 14-20-11, has the meaning
34 set forth in IC 14-20-11-1.

35 ~~(k)~~ **(j)** "Commission", for purposes of IC 14-21-4, has the meaning
36 set forth in IC 14-21-4-1.

37 ~~(l)~~ **(k)** "Commission", for purposes of IC 14-25-11, has the meaning
38 set forth in IC 14-25-11-1.

39 ~~(m)~~ **(l)** "Commission", for purposes of IC 14-28-4, has the meaning
40 set forth in IC 14-28-4-1.

41 ~~(n)~~ **(m)** "Commission", for purposes of IC 14-30-1, has the meaning
42 set forth in IC 14-30-1-2.

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1 (Ⓣ) (n) "Commission", for purposes of IC 14-30-2, has the meaning
2 set forth in IC 14-30-2-2.

3 (Ⓟ) (o) "Commission", for purposes of IC 14-30-3, has the meaning
4 set forth in IC 14-30-3-2.

5 (Ⓠ) (p) "Commission", for purposes of IC 14-30-4, has the meaning
6 set forth in IC 14-30-4-2.

7 (Ⓡ) (q) "Commission", for purposes of IC 14-33-20, has the meaning
8 set forth in IC 14-33-20-2.

9 SECTION 4. IC 14-8-2-59 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 59. "Corridor" has the
11 following meaning:

12 (1) ~~For purposes of IC 14-13-3, the meaning set forth in~~
13 ~~IC 14-13-3-2.~~

14 (2) (1) For purposes of IC 14-13-4, the meaning set forth in
15 IC 14-13-4-2.

16 (3) (2) For purposes of IC 14-13-5, the meaning set forth in
17 IC 14-13-5-2.

18 (4) (3) For purposes of IC 14-13-6, the meaning set forth in
19 IC 14-13-6-3.

20 SECTION 5. IC 36-7-13.5-1 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 1. The following
22 definitions apply throughout this chapter:

23 (1) "Commission" refers to the **Lake Michigan marina and**
24 **shoreline development commission** established by section 2 of
25 this chapter.

26 (2) "Corridor" ~~has the meaning set forth in IC 14-13-3-2.~~ **means**
27 **the strip of land in Indiana abutting Lake Michigan and the**
28 **tributaries of Lake Michigan.**

29 (3) "Executive committee" refers to the executive committee of
30 the commission established by section ~~13~~ of this chapter.

31 (4) "Fund" refers to the shoreline environmental trust fund
32 established by section ~~19~~ of this chapter.

33 (3) "Environmental fund" **refers to the shoreline**
34 **environmental trust fund established by section 19 of this**
35 **chapter.**

36 (4) "Environmental grant" **means a grant from the**
37 **environmental fund.**

38 (5) "Qualifying property" means one (1) or more parcels of land
39 in the corridor under common ownership, regardless of whether
40 any improvements are located on the land, with respect to which:

41 (A) the:
42 (i) land is unused, if there are no improvements on the land;

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- 1 or
- 2 (ii) land and improvements are unused;
- 3 (B) all or a part of each parcel of the land is located within five
- 4 hundred (500) yards of a lake or river; and
- 5 (C) there are significant obstacles to redevelopment because
- 6 of any of the following:
- 7 (i) Obsolete or inefficient buildings.
- 8 (ii) Aging infrastructure or inefficient utility services.
- 9 (iii) Utility relocation requirements.
- 10 (iv) Transportation or access problems.
- 11 (v) Topographical obstacles.
- 12 (vi) Environmental contamination.

13 SECTION 6. IC 36-7-13.5-2, AS AMENDED BY P.L.33-2008,
 14 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2010]: Sec. 2. The **Lake Michigan marina and** shoreline
 16 development commission is established.

17 SECTION 7. IC 36-7-13.5-3, AS AMENDED BY P.L.33-2008,
 18 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JULY 1, 2010]: Sec. 3. The commission consists of the following
 20 members:

- 21 (1) The following **voting** members: ~~appointed by the governor:~~
- 22 (A) The mayor of East Chicago.
- 23 (B) The mayor of Gary.
- 24 (C) The mayor of Hammond.
- 25 (D) The mayor of Michigan City.
- 26 (E) The mayor of Portage.
- 27 (F) The mayor of Whiting.
- 28 (G) Two (2) ~~representatives~~ **members**, each ~~from a~~
- 29 **representing and appointed by a different** steel company
- 30 that owns land abutting Lake Michigan with a continuous
- 31 shoreline of not less than one (1) mile.
- 32 (H) One (1) ~~representative of member to represent and to be~~
- 33 **appointed by** a company that:
- 34 (i) is not a steel company; and
- 35 (ii) owns land abutting Lake Michigan with a continuous
- 36 shoreline of not less than three-tenths (0.3) mile.
- 37 ~~(I) One (1) representative of the department of environmental~~
- 38 ~~management:~~
- 39 ~~(J) One (1) representative of the department of natural~~
- 40 ~~resources:~~
- 41 ~~(K) One (1) representative of the Indiana department of~~
- 42 ~~transportation:~~

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~~(I)~~ **(I)** One (1) representative of member appointed jointly by the executives of the following municipalities:

- (i) Beverly Shores.
- ~~(M)~~ One (1) representative of Burns Harbor.
- ~~(N)~~ One (1) representative of (ii) Dune Acres.
- ~~(O)~~ One (1) representative of (iii) Ogden Dunes.

(J) One (1) member appointed jointly by the executives of the following municipalities:

- (i) Burns Harbor.
- (ii) Chesterton.
- (iii) Porter.

~~(P)~~ One (1) representative of the northwest Indiana advisory board established under IC 13-13-6.

~~(Q)~~ **(K)** One (1) representative of member appointed by a public utility that owns real property that:

- (i) is located in the counties contiguous to Lake Michigan; and
- (ii) has a total assessed value that exceeds the total assessed value of real property in the counties contiguous to Lake Michigan that is owned by any other public utility.

~~(R)~~ The port director of the Port of Indiana-Burns Harbor.

~~(2)~~ One (1) member, preferably from a visitor and tourism business, appointed by the lieutenant governor.

~~(3)~~ **(L)** Two (2) members appointed by the speaker of the house of representatives who:

- ~~(A)~~ (i) are members of the house of representatives;
- ~~(B)~~ (ii) represent house districts that have territory within the corridor; and
- ~~(C)~~ (iii) are not affiliated with the same political party.

If all the house districts that have territory within the corridor are represented by members of the house of representatives who are from the same political party, the requirement under item (iii) cannot be satisfied, the speaker shall appoint a member of the house of representatives who represents a house district that is located anywhere in a county that has territory within the corridor to satisfy **may disregard** the requirement under clause ~~(C)~~ item (iii) when appointing members under this clause.

~~(4)~~ **(M)** Two (2) members appointed by the president pro tempore of the senate who:

- ~~(A)~~ (i) are members of the senate;
- ~~(B)~~ (ii) represent senate districts that have territory within

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the corridor; and
~~(C) (iii)~~ are not affiliated with the same political party.
If ~~all the senate districts that have territory within the corridor are represented by members of the senate who are from the same political party;~~ **the requirement under item (iii) cannot be satisfied,** the president pro tempore shall appoint a member of the senate who represents a senate district that is located anywhere in a county that has territory within the corridor to satisfy ~~may disregard~~ the requirement under clause ~~(C)~~; **item (iii) when appointing members under this clause.**

- (2) The following nonvoting members:**
 - (A) One (1) member to represent the department of environmental management, appointed by the governor.**
 - (B) One (1) member to represent the department of natural resources, appointed by the governor.**
 - (C) One (1) member to represent the Indiana department of transportation, appointed by the governor.**
 - (D) One (1) member appointed by the executive of the Indiana Dunes National Lakeshore.**
 - (E) The port director of the Port of Indiana-Burns Harbor.**
 - (F) One (1) member appointed by the Lake County Convention and Visitors Bureau.**
 - (G) One (1) member appointed by the LaPorte County Convention and Visitors Bureau.**
 - (H) One (1) member appointed by the Porter County Convention Recreation and Visitor Commission.**

SECTION 8. IC 36-7-13.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 4. (a) The members of the commission referred to in section 3(1)(G) of this chapter **and their designees** may not represent the same steel company.

(b) A member of the commission ~~referred to in section 3(1)(A) through 3(1)(F) of this chapter~~ may designate an individual to serve on the commission in the member's place.

SECTION 9. IC 36-7-13.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 8. **(a) A quorum of the commission must be present to conduct the commission's business. A quorum consists of a majority of the voting members of the commission.**

(b) The affirmative votes of a majority of the **voting** members of the commission are required for the commission to take action on any measure.

SECTION 10. IC 36-7-13.5-11, AS AMENDED BY P.L.4-2005,

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1 SECTION 133, IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2010]: Sec. 11. (a) The commission shall **do**
3 **the following:**

- 4 (1) Identify qualifying properties.
- 5 (2) Prepare a comprehensive **environmental** master plan for
6 development and redevelopment within the corridor that:
 - 7 (A) plans for remediation of environmental contamination;
 - 8 (B) accounts for economic development and transportation
9 issues relating to environmental contamination; and
 - 10 (C) establishes priorities for development or redevelopment of
11 qualifying properties.
- 12 (3) Establish guidelines for the evaluation of applications for
13 **environmental** grants from the **environmental** fund.
- 14 (4) After reviewing a report from the department of
15 environmental management under section 22 of this chapter, ~~refer~~
16 ~~to the executive committee~~ **make decisions on** applications for
17 **environmental** grants from the **environmental** fund under
18 section 21 of this chapter. ~~that the commission recommends for~~
19 ~~approval.~~
- 20 (5) Prepare and provide information to political subdivisions on
21 the availability of financial assistance from the **environmental**
22 fund.
- 23 (6) Coordinate the implementation of the comprehensive
24 **environmental** master plan.
- 25 (7) Monitor the progress of implementation of the comprehensive
26 **environmental** master plan.
- 27 (8) Report at least ~~annually~~ **once every two (2) years** to the
28 governor, the lieutenant governor, the Indiana economic
29 development corporation, the legislative council, ~~the budget~~
30 ~~committee~~, and all political subdivisions that have territory
31 within the corridor on:
 - 32 (A) the activities of the commission; and
 - 33 (B) the progress of implementation of the comprehensive
34 **environmental** master plan. ~~and~~
- 35 **An annual report under this subdivision to the legislative**
36 **council must be in an electronic format under IC 5-14-6.**
- 37 ~~(9) employ an executive director and other individuals that are~~
38 ~~necessary to carry out the commission's duties.~~
- 39 ~~An annual report under subdivision (8) to the legislative council~~
40 ~~must be in an electronic format under IC 5-14-6.~~
- 41 **(9) Study various plans and recommendations that are**
42 **proposed concerning marina development along the corridor.**

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Based on these studies, the commission shall do the following:

- (A) Prepare a comprehensive marina plan.**
- (B) Recommend state and local legislation for the development of marinas along the corridor.**
- (C) Coordinate the implementation of the marina plan and legislation.**

(10) Make marina grants of money to units of local government for the construction or improvement of a marina in the corridor if the grants are consistent with the marina plans, standards, and criteria established by the commission.

(b) It is the goal of marina projects under this chapter to create employment in the private sector.

SECTION 11. IC 36-7-13.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 12. (a) When necessary to accomplish the purposes of the commission, the commission may do the following:

- (1) Conduct studies necessary for the performance of the commission's duties.
- (2) Publicize, advertise, and distribute reports on the commission's purposes, objectives, and findings.
- (3) Provide recommendations in matters related to the commission's functions and objectives to the following:
 - (A) Political subdivisions that have territory within the corridor.
 - (B) Other public and private agencies.
- (4) When requested, act as a coordinating agency for programs and activities of other public and private agencies that are related to the commission's objectives.
- (5) Receive grants and appropriations from the following:
 - (A) Federal, state, and local governments.
 - (B) Individuals.
 - (C) Foundations.
 - (D) Other organizations.
- (6) Enter into agreements or contracts regarding the acceptance or use of these grants and appropriations for the purpose of carrying out the commission's activities under this chapter.**
- (7) Acquire and dispose of real or personal property by grant, gift, purchase, lease, devise, or otherwise.**
- (8) Hold, use, improve, maintain, operate, own, manage, or lease as lessor or lessee:**
 - (A) real or personal property; or**

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1 **(B) any interest in real or personal property.**
2 **(9) Employ an executive director and other individuals who**
3 **are necessary to carry out the commission's duties.**
4 ~~(b) The commission may~~ **(10) Contract for staff services with:**
5 ~~(1) (A) qualified agencies or individuals; or~~
6 ~~(2) (B) a regional planning commission established under~~
7 IC 36-7-7.
8 **(11) Appoint advisory committees, which may include**
9 **representatives of the following:**
10 **(A) Municipal parks.**
11 **(B) County parks.**
12 **(C) National parks.**
13 **(D) Port authorities.**
14 SECTION 12. IC 36-7-13.5-14 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 14. (a) The ~~executive~~
16 ~~committee~~ **commission** shall elect the following officers from among
17 the ~~voting~~ members of the ~~executive committee:~~ **commission:**
18 (1) A chairman.
19 (2) A vice chairman.
20 (3) A treasurer.
21 (b) Each officer serves a term of one (1) year beginning July 1 of
22 each year.
23 SECTION 13. IC 36-7-13.5-17 IS AMENDED TO READ AS
24 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 17. The ~~executive~~
25 ~~committee~~ **commission** shall:
26 (1) ~~be responsible for the management of~~ **carry out** all functions
27 related to the provision of **environmental** grants to political
28 subdivisions from the **environmental** fund **and marina grants**
29 for the purposes set forth in this chapter;
30 (2) review each **environmental** grant application ~~referred to the~~
31 ~~executive committee by the commission under described in~~
32 section 11 of this chapter, including the report received from the
33 department of environmental management under section 22 of
34 this chapter, to determine whether to approve ~~a~~ **an**
35 **environmental** grant;
36 (3) determine the amount of each **environmental** grant to a
37 political subdivision approved by the ~~executive committee;~~
38 **commission;**
39 (4) approve, with appropriate signatures, each **environmental**
40 grant that the ~~executive committee~~ **commission** determines to
41 make under this chapter; and
42 (5) prepare and adopt by majority vote an annual budget for

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carrying out the activities of the commission.
SECTION 14. IC 36-7-13.5-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 18. (a) After approval of the budget by the ~~executive committee~~, **commission**, money may be expended only as budgeted, unless a majority vote of the ~~executive committee~~ **commission** authorizes other expenditures.

(b) Appropriated money remaining unexpended or unencumbered at the end of the year **and not otherwise restricted by law or agreement** becomes part of a nonreverting cumulative fund to be held in the name of the commission. The ~~executive committee~~ **commission** may authorize unbudgeted expenditures from this fund by a majority vote of the ~~executive committee~~. **commission. However, unencumbered money appropriated from the environmental fund at the end of a budget year reverts to the environmental fund.**

(c) The ~~executive committee treasurer of the commission~~ is responsible for the safekeeping and deposit of money the commission receives under this chapter. The state board of accounts shall:

- (1) prescribe the methods and forms for keeping; and
- (2) periodically audit;

the accounts, records, and books of the commission. **The commission may establish the funds and the accounts that the commission determines necessary to operate the commission.**

(d) The treasurer of the ~~executive committee~~ **commission** may receive, disburse, and handle money belonging to the commission, subject to the following:

- (1) Applicable statutes.
- (2) Procedures established by the ~~executive committee~~. **commission.**

SECTION 15. IC 36-7-13.5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 19. The shoreline environmental trust fund is established to provide a source of money for the following:

- (1) The rehabilitation, redevelopment, and reuse of qualifying property by providing **environmental** grants to political subdivisions to conduct any of the following activities:
 - (A) Identification and acquisition of qualifying property within a political subdivision.
 - (B) Environmental assessment of identified qualifying property and other activities necessary or convenient to complete the environmental assessments.
 - (C) Remediation of environmental contamination conducted on qualifying property.

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- 1 (D) Clearance of real property under IC 36-7-14-12.2 or
- 2 IC 36-7-15.1-7 in connection with remediation activities.
- 3 (E) Other activities necessary or convenient to return qualified
- 4 property to full use.
- 5 (2) **Payment of the share of the operations of the commission, as**
- 6 **determined by the commission.**
- 7 SECTION 16. IC 36-7-13.5-20 IS AMENDED TO READ AS
- 8 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 20. (a) The budget
- 9 agency shall:
- 10 (1) administer the **environmental** fund; and
- 11 (2) report to the ~~executive committee~~ **commission** semiannually:
- 12 (A) revenue received to the **environmental** fund;
- 13 (B) distributions from the **environmental** fund; and
- 14 (C) the balance in the **environmental** fund.
- 15 (b) The following shall be paid from money in the **environmental**
- 16 fund:
- 17 (1) The expenses of administering the **environmental** fund.
- 18 (2) **Environmental** grants approved by the ~~executive committee~~
- 19 **commission** under section 17 of this chapter.
- 20 (3) The amount budgeted **from the environmental fund** by the
- 21 ~~executive committee~~ **commission** for the operations of the
- 22 commission.
- 23 (c) The **environmental** fund consists of the following:
- 24 (1) Appropriations made by the general assembly.
- 25 (2) **Environmental** grants and gifts intended for deposit in the
- 26 **environmental** fund.
- 27 (3) Interest, gains, or other earnings of the **environmental** fund.
- 28 (d) The budget agency shall invest the money in the **environmental**
- 29 fund not currently needed to meet the obligations of the **environmental**
- 30 fund in the same manner as other public funds may be invested.
- 31 Interest, gains, or other earnings from these investments shall be
- 32 credited to the **environmental** fund.
- 33 (e) As an alternative to subsection (d), the budget agency may invest
- 34 or cause to be invested all or a part of the **environmental** fund in a
- 35 fiduciary account with a trustee that is a financial institution.
- 36 Notwithstanding any other law, any investment may be made by the
- 37 trustee in accordance with at least one (1) trust agreement or indenture.
- 38 A trust agreement or indenture may allow disbursements by the trustee
- 39 to the budget agency as provided in the trust agreement or indenture.
- 40 The budget agency and the state board of finance must approve any
- 41 trust agreement or indenture before its execution.
- 42 (f) Money in the **environmental** fund at the end of a state fiscal year

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1 does not revert to the state general fund.

2 SECTION 17. IC 36-7-13.5-21 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 21. (a) Before a
4 political subdivision may receive ~~a~~ **an environmental** grant from the
5 **environmental** fund, the political subdivision must submit to the
6 department of environmental management and the commission the
7 following:

8 (1) ~~A~~ **An environmental** grant application, in the form prescribed
9 by the department of environmental management and the
10 commission, that:

- 11 (A) identifies the qualifying property;
- 12 (B) includes any ordinances, resolutions, or other
13 documentation of the political subdivision's determination to
14 submit the **environmental** grant application;
- 15 (C) identifies the entity from which the qualifying property has
16 been acquired or will be acquired by the political subdivision;
- 17 (D) specifies the cost of acquisition of the qualifying property
18 to the political subdivision, if any;
- 19 (E) identifies any environmental contamination of the
20 qualifying property that will be subject to remediation;
- 21 (F) specifies the environmental remediation objectives with
22 respect to the qualifying property;
- 23 (G) estimates all costs the political subdivision will incur with
24 respect to the qualifying property;
- 25 (H) evaluates the prospect for conveyance of the qualifying
26 property for use by a private or public entity; and
- 27 (I) includes a schedule of all actions taken or to be taken by
28 the political subdivision with respect to the qualifying property
29 between the time of acquisition and the anticipated time of
30 conveyance by the political subdivision.

31 (2) Documentation of community and neighborhood comment
32 concerning the use of a qualifying property on which
33 environmental remediation activities will be undertaken after
34 environmental remediation activities are completed.

35 (b) A political subdivision may apply for ~~a~~ **an environmental** grant
36 under this section for activities under this chapter with respect to:

- 37 (1) qualifying property previously acquired by the political
38 subdivision by:
 - 39 (A) purchase; or
 - 40 (B) donation from a private or public entity; or
- 41 (2) qualifying property to be acquired using **environmental** grant
42 money.

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1 SECTION 18. IC 36-7-13.5-22 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 22. The department of
3 environmental management shall do the following under this chapter:

4 (1) Upon receipt of ~~a~~ **an environmental** grant application from a
5 political subdivision under section 21 of this chapter with respect
6 to a qualifying property, evaluate the technical aspects of the
7 political subdivision's:

8 (A) environmental assessment of the property; and

9 (B) proposed environmental remediation with respect to the
10 property.

11 (2) Submit to the commission a report of its evaluation under
12 subdivision (1).

13 (3) Evaluate the technical aspects of the political subdivision's
14 environmental remediation activities conducted on qualifying
15 properties.

16 (4) Act as a liaison with the United States Environmental
17 Protection Agency.

18 SECTION 19. IC 36-7-13.5-23 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 23. The ~~executive~~
20 ~~committee~~ **commission** shall develop a priority ranking system for
21 making **environmental** grants under this chapter based on the
22 following:

23 (1) The comprehensive **environmental** master plan.

24 (2) Socioeconomic distress in an area, as determined by the
25 poverty level and unemployment rate in the area.

26 (3) The technical evaluation by the department of environmental
27 management under section 22 of this chapter.

28 (4) Other factors determined by the commission, including the
29 following:

30 (A) The number and quality of jobs that would result from
31 reuse of the qualifying property.

32 (B) Housing, recreational, and educational needs of
33 communities.

34 (C) Any other factors the ~~executive committee~~ **commission**
35 determines will assist in the implementation of this chapter.

36 SECTION 20. IC 36-7-13.5-24 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 24. (a) Based on the
38 priority ranking system established under section 23 of this chapter, the
39 ~~executive committee~~ **commission** may make **environmental** grants
40 from the **environmental** fund to political subdivisions under this
41 section.

42 (b) ~~A~~ **An environmental** grant must be used for at least one (1) of

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1 the purposes set forth in section 19 of this chapter and may be used to
2 pay consultant, advisory, and legal fees and any other costs or expenses
3 resulting from the assessment, planning, or environmental remediation
4 of a qualifying property.

5 SECTION 21. IC 36-7-13.5-25 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 25. If:

7 (1) a private entity offers a political subdivision a donation of
8 property for which the political subdivision intends to submit ~~a~~ **an**
9 **environmental** grant application under section 21 of this chapter;
10 and

11 (2) the donation of the property is conditioned on obtaining from
12 the state a covenant not to sue the private entity for any potential
13 liability arising under state law associated with environmental
14 contamination of the property;

15 the political subdivision may request that the commission seek the
16 covenant not to sue from the governor. The governor may execute a
17 covenant not to sue under this section.

18 SECTION 22. IC 36-7-13.5-26 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 26. The ~~executive~~
20 ~~committee~~ **commission** may adopt guidelines or guidance documents
21 to implement this chapter without complying with IC 4-22-2.

22 SECTION 23. IC 36-7-13.5-27 IS ADDED TO THE INDIANA
23 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
24 [EFFECTIVE JULY 1, 2010]: **Sec. 27. This chapter does not limit**
25 **the power of a participating county, township, port authority, or**
26 **municipal corporation to develop or improve a port, terminal, or**
27 **lakefront facility.**

28 SECTION 24. IC 36-7.5-1-12, AS AMENDED BY P.L.47-2006,
29 SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2010]: Sec. 12. "Eligible political subdivision" means the
31 following:

- 32 (1) An airport authority.
- 33 (2) A commuter transportation district.
- 34 (3) A regional bus authority under IC 36-9-3-2(c).
- 35 (4) A regional transportation authority established under
- 36 IC 36-9-3-2.
- 37 (5) ~~A~~ **The Lake Michigan marina and** shoreline development
- 38 **commission** under IC 36-7-13.5.

39 SECTION 25. IC 36-7.5-1-12.4 IS ADDED TO THE INDIANA
40 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
41 [EFFECTIVE JULY 1, 2010]: **Sec. 12.4. "Lake Michigan marina and**
42 **shoreline development commission" means the commission**

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established by IC 36-7-13.5-2.

SECTION 26. IC 36-7.5-1-12.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 12.5. "Lake Michigan marina and shoreline development commission project" means a project that can be financed with the proceeds of bonds issued by the Lake Michigan marina and shoreline development commission.**

SECTION 27. IC 36-7.5-1-13, AS AMENDED BY P.L.47-2006, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 13. "Project" means an airport authority project, a commuter transportation district project, an economic development project, a regional bus authority project, a regional transportation authority project, or a **Lake Michigan marina and shoreline development commission project.**

SECTION 28. IC 36-7.5-2-1, AS AMENDED BY P.L.47-2006, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 1. The northwest Indiana regional development authority is established as a separate body corporate and politic to carry out the purposes of this article by:

- (1) acquiring, constructing, equipping, owning, leasing, and financing projects and facilities for lease to or for the benefit of eligible political subdivisions under this article;
- (2) funding and developing the Gary/Chicago International Airport expansion and other airport authority projects, commuter transportation district and other rail projects and services, regional bus authority projects and services, regional transportation authority projects and services, **Lake Michigan marina and shoreline development projects and activities**, and economic development projects in northwestern Indiana; and
- (3) assisting with the funding of infrastructure needed to sustain development of an intermodal facility in northwestern Indiana.

SECTION 29. IC 36-7.5-3-1, AS AMENDED BY P.L.47-2006, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 1. The development authority shall do the following:

- (1) Assist in the coordination of local efforts concerning projects.
- (2) Assist a commuter transportation district, an airport authority, **α the Lake Michigan marina and shoreline development commission**, a regional transportation authority, and a regional bus authority in coordinating regional transportation and economic development efforts.
- (3) Fund projects as provided in this article.

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1 (4) Fund bus services (including fixed route services and flexible
2 or demand-responsive services) and projects related to bus
3 services and bus terminals, stations, or facilities.

4 SECTION 30. IC 36-7.5-3-2, AS AMENDED BY P.L.182-2009(ss),
5 SECTION 424, IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 2010]: Sec. 2. (a) The development authority
7 may do any of the following:

8 (1) Finance, improve, construct, reconstruct, renovate, purchase,
9 lease, acquire, and equip land and projects located in an eligible
10 county or eligible municipality.

11 (2) Lease land or a project to an eligible political subdivision.

12 (3) Finance and construct additional improvements to projects or
13 other capital improvements owned by the development authority
14 and lease them to or for the benefit of an eligible political
15 subdivision.

16 (4) Acquire land or all or a portion of one (1) or more projects
17 from an eligible political subdivision by purchase or lease and
18 lease the land or projects back to the eligible political subdivision,
19 with any additional improvements that may be made to the land
20 or projects.

21 (5) Acquire all or a portion of one (1) or more projects from an
22 eligible political subdivision by purchase or lease to fund or
23 refund indebtedness incurred on account of the projects to enable
24 the eligible political subdivision to make a savings in debt service
25 obligations or lease rental obligations or to obtain relief from
26 covenants that the eligible political subdivision considers to be
27 unduly burdensome.

28 (6) Make loans, loan guarantees, and grants or provide other
29 financial assistance to or on behalf of the following:

30 (A) A commuter transportation district.

31 (B) An airport authority or airport development authority.

32 (C) ~~A~~ **The Lake Michigan marina and** shoreline
33 development commission.

34 (D) A regional bus authority. A loan, loan guarantee, grant, or
35 other financial assistance under this clause may be used by a
36 regional bus authority for acquiring, improving, operating,
37 maintaining, financing, and supporting the following:

38 (i) Bus services (including fixed route services and flexible
39 or demand-responsive services) that are a component of a
40 public transportation system.

41 (ii) Bus terminals, stations, or facilities or other regional bus
42 authority projects.

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- 1 (E) A regional transportation authority.
- 2 (7) Provide funding to assist a railroad that is providing commuter
- 3 transportation services in an eligible county or eligible
- 4 municipality.
- 5 (8) Provide funding to assist an airport authority located in an
- 6 eligible county or eligible municipality in the construction,
- 7 reconstruction, renovation, purchase, lease, acquisition, and
- 8 equipping of an airport facility or airport project.
- 9 (9) Provide funding to assist in the development of an intermodal
- 10 facility to facilitate the interchange and movement of freight.
- 11 (10) Provide funding to assist **a the Lake Michigan marina and**
- 12 **shoreline development commission** in carrying out the purposes
- 13 of IC 36-7-13.5.
- 14 (11) Provide funding for economic development projects in an
- 15 eligible county or eligible municipality.
- 16 (12) Hold, use, lease, rent, purchase, acquire, and dispose of by
- 17 purchase, exchange, gift, bequest, grant, condemnation, lease, or
- 18 sublease, on the terms and conditions determined by the
- 19 development authority, any real or personal property located in an
- 20 eligible county or eligible municipality.
- 21 (13) After giving notice, enter upon any lots or lands for the
- 22 purpose of surveying or examining them to determine the location
- 23 of a project.
- 24 (14) Make or enter into all contracts and agreements necessary or
- 25 incidental to the performance of its duties and the execution of its
- 26 powers under this article.
- 27 (15) Sue, be sued, plead, and be impleaded.
- 28 (16) Design, order, contract for, and construct, reconstruct, and
- 29 renovate a project or improvements to a project.
- 30 (17) Appoint an executive director and employ appraisers, real
- 31 estate experts, engineers, architects, surveyors, attorneys,
- 32 accountants, auditors, clerks, construction managers, and any
- 33 consultants or employees that are necessary or desired by the
- 34 development authority in exercising its powers or carrying out its
- 35 duties under this article.
- 36 (18) Accept loans, grants, and other forms of financial assistance
- 37 from the federal government, the state government, a political
- 38 subdivision, or any other public or private source.
- 39 (19) Use the development authority's funds to match federal
- 40 grants or make loans, loan guarantees, or grants to carry out the
- 41 development authority's powers and duties under this article.
- 42 (20) Except as prohibited by law, take any action necessary to

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carry out this article.
(b) If the development authority is unable to agree with the owners, lessees, or occupants of any real property selected for the purposes of this article, the development authority may proceed under IC 32-24-1 to procure the condemnation of the property. The development authority may not institute a proceeding until it has adopted a resolution that:

- (1) describes the real property sought to be acquired and the purpose for which the real property is to be used;
- (2) declares that the public interest and necessity require the acquisition by the development authority of the property involved; and
- (3) sets out any other facts that the development authority considers necessary or pertinent.

The resolution is conclusive evidence of the public necessity of the proposed acquisition.

SECTION 31. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2010]: IC 14-13-3; IC 36-7-13.5-9; IC 36-7-13.5-13; IC 36-7-13.5-15; IC 36-7-13.5-16; IC 36-7.5-1-16; IC 36-7.5-1-17.

SECTION 32. [EFFECTIVE JULY 1, 2010] (a) **On July 1, 2010, the rights, duties, property, personnel, liabilities, and contractual obligations of the following are transferred to the Lake Michigan marina and shoreline development commission established by IC 36-7-13.5-2, as amended by this act:**

- (1) **The Lake Michigan marina development commission.**
- (2) **The shoreline development commission.**

The commissions described in subdivisions (1) and (2) are abolished as soon the property, personnel, liabilities, and contractual obligations of the commissions are transferred to the Lake Michigan marina and shoreline development commission. The only actions that a commission described in subdivision (1) or (2) may take after June 30, 2010, are those actions necessary to wind up the affairs of that commission.

(b) **The members of the governing body of a commission described in subsection (a)(1) or (a)(2) remain members of the governing body until the commission is abolished. The governing bodies of each commission described in subsection (a)(1) or (a)(2) shall adopt a resolution as the last act of the governing body specifying the abolishment of the commission.**

(c) **Money transferred from the Lake Michigan marina development commission to the Lake Michigan marina and shoreline development commission shall initially be transferred to**

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1 a fund that is separate from the shoreline environmental trust fund
2 established by IC 36-7-13.5-19, as amended by this act, and used in
3 accordance with the budget adopted by the Lake Michigan marina
4 and shoreline development commission. The budget may provide
5 for part or all of the money to be transferred and used for the
6 purposes of the shoreline environmental trust fund.

7 (d) This SECTION expires July 1, 2013.

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COMMITTEE REPORT

Madam President: The Senate Committee on Natural Resources, to which was referred Senate Bill No. 339, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 339 as introduced.)

MISHLER, Chairperson

Committee Vote: Yeas 9, Nays 0.

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