

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6258

BILL NUMBER: SB 60

NOTE PREPARED: Jan 31, 2011

BILL AMENDED: Jan 31, 2011

SUBJECT: Local Government Issues.

FIRST AUTHOR: Sen. Lawson C

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) *Consultant Training*- The bill provides that one executive session per calendar year may be held under the open door law to train members of a board of aviation commissioners or an airport authority board with an outside consultant about the performance of the role of the members as public officials.

Aviation Authorities and Boards Under Public Work Project Statute- The bill specifies that the statutes governing public work projects by political subdivisions apply to contracts by a board of aviation commissioners or an airport authority board.

Provision of Aviation Services- The bill provides that an airport authority board may provide aviation services to public use airports within or outside Indiana either directly or through an affiliate entity established by the board.

Delayed Bid Opening- The bill provides that for purposes of the local public works statutes, bids may be opened after the time designated if: (1) the political subdivision makes a written determination that it is in the best interest of the political subdivision to delay the opening; and (2) the day, time, and place of the rescheduled opening is announced at the day, time, and place of the originally scheduled opening.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *Aviation Authorities and Boards Under Public Work Project Statute*- Under current public work project statute, plans and specifications for a project must be approved by the State Department of Health, the Fire and Building Safety Division of the Indiana Department of Homeland

Security, and any other state agency as required by any other statute.

The provision could increase the workload of the above agencies accordingly. The bill does not provide an appropriation to cover additional staff time that could be required to approve plans. The above agencies would have to review and approve plans within their existing level of resources.

Explanation of State Revenues: *Aviation Authorities and Boards Under Public Work Project Statute-* The statute governing public works projects currently prohibits a governmental entity from splitting an existing bid project into two or more projects in an effort to avoid future bidding. Intentional splitting of a project without a new bid process is classified as an A misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class A misdemeanor is \$5,000. However, any additional revenue would likely be small.

Explanation of Local Expenditures: *Provision of Aviation Services-* An increase in aviation services would require an increase in airport authority expenditures. Operating expenses of an airport authority is generated through a statutorily set tax levy rate. The potential expenditures are indeterminable and would depend on future airport authority tax levies and budgets.

Background Information- Airport authority members and board of aviation commissioners may receive a per diem of no more than \$35 per day and reimbursement of travel expenses in the course of their duties.

A Class A misdemeanor is punishable by up to one year in jail.

Airport Authorities and Boards of Aviation Commissioners- There are currently 108 public use airports in Indiana, 29 of which are privately owned. The remaining airports are governed by 48 boards of aviation commissioners, 17 airport authorities, 5 by the state (4 by the Department of Natural Resources and 1 by Purdue University), and 2 with unknown ownership.

Explanation of Local Revenues: *Aviation Authorities and Boards Under Public Work Project Statute-* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: State Department of Health; Department of Homeland Security.

Local Agencies Affected: Airport authorities; boards of aviation commissioners; trial courts, local law enforcement agencies.

Information Sources: Indiana Department of Transportation.

Fiscal Analyst: Chris Baker, 317-232-9851.