

Adopted	Rejected
---------	----------

COMMITTEE REPORT

YES:	12
NO:	0

MR. SPEAKER:

*Your Committee on Local Government, to which was referred House Bill 1174, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 2, line 35, after "bids." insert "**If the disposing agent rejects**
- 2 **all bids, the disposing agent must make a written determination to**
- 3 **reject all bids explaining why all bids were rejected.**"
- 4 Page 3, after line 8, begin a new paragraph and insert:
- 5 "**(h) The following apply if a broker is hired under subsection**
- 6 **(g):**
- 7 **(1) The property may not be sold to a person who is ineligible**
- 8 **under section 16 of this chapter.**
- 9 **(2) If the property is sold to a trust (as defined in**
- 10 **IC 30-4-1-1(a)), the following information must be placed in**
- 11 **the public record relating to the sale:**
- 12 **(A) Each beneficiary of the trust.**
- 13 **(B) Each settlor empowered to revoke or modify the trust.**
- 14 SECTION 2. IC 36-1-11-5 IS AMENDED TO READ AS
- 15 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) As used in this
- 16 section, "abutting landowner" means an owner of property that:

- 1 (1) touches, borders on, or is contiguous to the property that is the
 2 subject of sale; and
- 3 (2) does not constitute a:
- 4 (A) public easement; or
- 5 (B) public right-of-way.
- 6 (b) As used in this section, "offering price" means the appraised
 7 value of real property plus all costs associated with the sale, including:
- 8 (1) appraisal fees;
- 9 (2) title insurance;
- 10 (3) recording fees; and
- 11 (4) advertising costs.
- 12 (c) **The disposing agent may proceed under this section if either**
 13 **of the following apply:**
- 14 (1) The assessed value of a tract of real property to be sold is less
 15 than fifteen thousand dollars (\$15,000), based on the most recent
 16 assessment of the tract or of the tract of which it was a part before
 17 it was acquired. ~~the disposing agent may proceed under this~~
 18 ~~section.~~
- 19 (2) **If the property has not been assessed and the property was**
 20 **previously part of a public right-of-way.**
- 21 (d) The disposing agent may determine that:
- 22 (1) the highest and best use of the tract is sale to an abutting
 23 landowner;
- 24 (2) the cost to the public of maintaining the tract equals or
 25 exceeds the estimated fair market value of the tract; or
- 26 (3) it is economically unjustifiable to sell the tract under section
 27 4 of this chapter.
- 28 (e) Within ten (10) days after the disposing agent makes a
 29 determination under subsection (d), the disposing agent shall publish
 30 a notice in accordance with IC 5-3-1 identifying the tracts intended for
 31 sale by legal description and, if possible, by key number and street
 32 address. The notice must also include the offering price and a statement
 33 that:
- 34 (1) the property may not be sold to a person who is ineligible
 35 under section 16 of this chapter; and
- 36 (2) an offer to purchase the property submitted by a trust (as
 37 defined in IC 30-4-1-1(a)) must identify each:
- 38 (A) beneficiary of the trust; and

1 (B) settlor empowered to revoke or modify the trust.
2 At the time of publication of notice under this subsection, the disposing
3 agent shall send notice by certified mail to all abutting landowners.
4 This notice shall contain the same information as the published notice.
5 (f) The disposing agent shall also have each tract appraised. The
6 appraiser must be professionally engaged in making appraisals, a
7 person licensed under IC 25-34.1, or an employee of the political
8 subdivision who is familiar with the value of the tract. However, if the
9 assessed value of a tract is less than six thousand dollars (\$6,000),
10 based on the most recent assessment of the tract or of the tract of which
11 it was a part before it was acquired, the disposing agent is not required
12 to have the tract appraised.
13 (g) If, within ten (10) days after the date of publication of the notice
14 under subsection (e), the disposing agent receives an eligible offer to
15 purchase a tract listed in the notice at or in excess of the offering price,
16 the disposing agent shall conduct the negotiation and sale of the tract
17 under section 4(c) through 4(g) of this chapter.
18 (h) Notwithstanding subsection (g), if within ten (10) days after the
19 date of publication of the notice under subsection (e) the disposing
20 agent does not receive from any person other than an abutting
21 landowner an eligible offer to purchase the tract at or in excess of the
22 offering price, the disposing agent shall conduct the negotiation and
23 sale of the tract as follows:
24 (1) If only one (1) abutting landowner makes an eligible offer to
25 purchase the tract, then subject to section 16 of this chapter and
26 without further appraisal or notice, the disposing agent shall offer
27 to negotiate for the sale of the tract with that abutting landowner.
28 (2) If more than one (1) eligible abutting landowner submits a
29 offer to purchase the tract, the other eligible abutting landowners
30 who submit offers shall be informed of the highest offer received
31 and be given an opportunity to submit one (1) additional offer.
32 The tract shall be sold to the eligible abutting landowner who
33 submits the highest offer for the tract and who complies with any
34 requirement under subsection (e)(2).
35 (3) If no eligible abutting landowner submits an offer to purchase
36 the tract, the disposing agent may sell the tract to any person who
37 submits the highest offer for the tract, except a person who is
38 ineligible to purchase the tract under section 16 of this chapter."

- 1 **Renumber all SECTIONS consecutively.**
(Reference is to HB 1174 as introduced.)

and when so amended that said bill do pass.

Representative Neese