

Adopted	Rejected
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# COMMITTEE REPORT

YES:	10
NO:	3

## MR. SPEAKER:

*Your Committee on* **Government and Regulatory Reform**, to which was referred Senate Bill 526, 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 7, between lines 12 and 13, begin a new paragraph and insert:
- 2 "SECTION 5. IC 6-1.1-18-1.5 IS ADDED TO THE INDIANA
- 3 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
- 4 **[EFFECTIVE UPON PASSAGE]: Sec. 1.5. (a) Each township**
- 5 **executive shall, not later than fifteen (15) days after the township's**
- 6 **tax rate is determined under IC 6-1.1-17, certify to the department**
- 7 **of local government finance and to the county auditor:**
- 8 (1) **the part of the total township tax rate that is related to:**
- 9 (A) **providing fire protection services; or**
- 10 (B) **paying bonds, loans, and leases related to fire**
- 11 **protection services; and**
- 12 (2) **the part of the total township tax rate that is not related**
- 13 **to:**
- 14 (A) **providing fire protection services; or**
- 15 (B) **paying bonds, loans, and leases related to fire**
- 16 **protection services.**

1           **(b) The department of local government finance shall, before**  
 2 **July 1, 2011, issue guidelines that must be used in making**  
 3 **determinations under subsection (a).**

4           **(c) Notwithstanding any other law, for property taxes first due**  
 5 **and payable in 2012 and in each year thereafter, the part of the**  
 6 **total township tax rate described in subsection (a)(2) (before the**  
 7 **application of any credit under IC 6-1.1-20.6) that is imposed for**  
 8 **the year on a person's property within the taxing district may not**  
 9 **exceed five percent (5%) of the total tax rate (before the**  
 10 **application of any credit under IC 6-1.1-20.6) imposed for the year**  
 11 **on the person's property within the taxing district.**

12           **(d) The limitation in this section is in addition to any other**  
 13 **property tax limit under this chapter, IC 6-1.1-18.5, or any other**  
 14 **law."**

15           Page 10, delete lines 24 through 42, begin a new paragraph and  
 16 insert:

17           "SECTION 8. IC 6-1.1-24-6.8, AS ADDED BY P.L.98-2010,  
 18 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 19 JULY 1, 2011]: Sec. 6.8. (a) For purposes of this section, in a county  
 20 containing a consolidated city "county executive" refers to:

21           **(1) before January 1, 2015, the board of commissioners of the**  
 22 **county as provided in IC 36-3-3-10; and**

23           **(2) after December 31, 2014, the county treasurer.**

24           (b) As used in this section, "vacant parcel" refers to a parcel that  
 25 satisfies all the following:

26           (1) A lien has been acquired on the parcel under section 6(a) of  
 27 this chapter.

28           (2) The parcel is unimproved on the date the parcel is offered for  
 29 sale under this chapter.

30           (3) The construction of a structure intended for residential use on  
 31 the parcel is permitted by law.

32           (4) On the date the parcel is offered for sale under this chapter,  
 33 the parcel is contiguous to one (1) or more parcels that satisfy the  
 34 following:

35           (A) One (1) or more of the following are located on the  
 36 contiguous parcel:

37           (i) A structure occupied for residential use.

38           (ii) A structure used in conjunction with a structure

1 occupied for residential use.

2 (B) The contiguous parcel is eligible for the standard  
3 deduction under IC 6-1.1-12-37.

4 (c) The county legislative body may, by ordinance, establish criteria  
5 for the identification of vacant parcels to be offered for sale under this  
6 section. The criteria may include the following:

7 (1) Limitations on the use of the parcel under local zoning and  
8 land use requirements.

9 (2) Minimum parcel area sufficient for construction of  
10 improvements.

11 (3) Any other factor considered appropriate by the county  
12 legislative body.

13 In a county containing a consolidated city, the county legislative body  
14 may adopt an ordinance under this subsection only upon  
15 recommendation by, **before January 1, 2015**, the board of  
16 commissioners provided in IC 36-3-3-10 **and (after December 31,**  
17 **2014) the county treasurer.**

18 (d) If the county legislative body adopts an ordinance under  
19 subsection (c), the county executive shall for each tax sale:

20 (1) by resolution, identify each vacant parcel that the county  
21 executive desires to sell under this section; and

22 (2) subject to subsection (e), give written notice to the owner of  
23 record of each parcel referred to in subsection (b)(4) that is  
24 contiguous to the vacant parcel.

25 (e) The notice under subsection (d)(2) with respect to each vacant  
26 parcel must include at least the following:

27 (1) A description of the vacant parcel by:

28 (A) legal description; and

29 (B) parcel number or street address, or both.

30 (2) Notice that the county executive will accept written  
31 applications from owners of parcels described in subsection (b)(4)  
32 as provided in subsection (f).

33 (3) Notice of the deadline for applications referred to in  
34 subdivision (2) and of the information to be included in the  
35 applications.

36 (4) Notice that the vacant parcel will be sold to the successful  
37 applicant for one dollar (\$1).

38 (5) Notice of the exemption provisions of subsection (l).

1 (f) To be eligible to purchase a vacant parcel under this section, the  
 2 owner of a contiguous parcel referred to in subsection (b)(4) must file  
 3 a written application with the county executive. The application must:

- 4 (1) identify the vacant parcel that the applicant desires to  
 5 purchase; and  
 6 (2) include any other information required by the county  
 7 executive.

8 (g) If more than one (1) application to purchase a single vacant  
 9 parcel is filed with the county executive, the county executive shall  
 10 conduct a drawing between or among the applicants in which each  
 11 applicant has an equal chance to be selected as the transferee of the  
 12 vacant parcel.

13 (h) The county executive shall by resolution make a final  
 14 determination concerning the vacant parcels that are to be sold under  
 15 this section.

16 (i) After the final determination of vacant parcels to be sold under  
 17 subsection (h), the county executive shall:

- 18 (1) on behalf of the county, cause all delinquent taxes, special  
 19 assessments, penalties, interest, and costs of sale with respect to  
 20 the vacant parcels to be removed from the tax duplicate;  
 21 (2) give notice of the final determination to:  
 22 (A) the successful applicant;  
 23 (B) the county auditor; and  
 24 (C) the township assessor, or the county assessor if there is no  
 25 township assessor for the township.

26 (j) Upon receipt of notice under subsection (i)(2):

- 27 (1) the county auditor shall:  
 28 (A) collect the purchase price from each successful applicant;  
 29 and  
 30 (B) subject to subsection (k), prepare a deed transferring each  
 31 vacant parcel to the successful applicant; and  
 32 (2) the township assessor or county assessor shall consolidate  
 33 each vacant parcel sold and the contiguous parcel owned by the  
 34 successful applicant into a single parcel.

35 (k) The county auditor shall include in the deed prepared under  
 36 subsection (j)(1)(B) reference to the exemption under subsection (l).

37 (l) Except as provided in subsection (m), each consolidated parcel  
 38 referred to in subsection (j)(2) is entitled to an exemption from property

1 taxation beginning on the assessment date that next succeeds the  
 2 consolidation in the amount of the assessed value at the time of  
 3 consolidation of the vacant parcel that was subject to the consolidation.

4 (m) The exemption under subsection (l) is terminated as of the  
 5 assessment date that next succeeds the earlier of the following:

6 (1) Five (5) years after the transfer of title to the successful  
 7 applicant.

8 (2) The first transfer of title to the consolidated parcel that occurs  
 9 after the consolidation."

10 Delete pages 11 through 12.

11 Page 13, delete lines 1 through 2.

12 Page 28, line 37, delete "and".

13 Page 28, line 39, delete "court." and insert "court;"

14 Page 28, line 39, after "township." insert "**and**".

15 Page 28, between lines 39 and 40, begin a new line block indented  
 16 and insert:

17 **"(3) if any funds remain during a fiscal year after the payment**  
 18 **of expenses under subdivision (2), used to fund public safety**  
 19 **programs in the county as set forth in an ordinance or**  
 20 **resolution adopted by the city-county council of the**  
 21 **consolidated city."**

22 Page 29, line 22, after "township" insert "**(including the township's**  
 23 **rainy day fund)**".

24 Page 30, delete lines 14 through 29, begin a new paragraph and  
 25 insert:

26 "SECTION 42. IC 36-1-11-3, AS AMENDED BY P.L.27-2008,  
 27 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 28 JULY 1, 2011]: Sec. 3. (a) This section does not apply to the disposal  
 29 of real property under section 5, 5.5, 5.9, or 8 of this chapter.

30 (b) Disposal of real property under this chapter is subject to the  
 31 approval of **the following**:

32 (1) The executive of the political subdivision or agency ~~or~~ **in a**  
 33 **county not having a consolidated city.**

34 **(2) In a county having a consolidated city:**

35 **(A) the county treasurer with respect to real property**  
 36 **obtained by tax default under IC 6-1.1-24 and IC 6-1.1-25;**  
 37 **and**

38 **(B) the county executive with respect to all other property.**

1           ~~(2)~~ **(3)** The fiscal body of the political subdivision or agency, if  
2           there is no executive.

3           The executive, **county treasurer of a county having a consolidated**  
4           **city**, or fiscal body may not approve a disposal of property without  
5           conducting a public hearing after giving notice under IC 5-3-1.  
6           However, in a municipality the executive shall designate a board or  
7           commission of the municipality to give notice, conduct the hearing, and  
8           notify the executive of its recommendation.

9           (c) Except as provided in section 3.2 of this chapter, in addition, the  
10          fiscal body of a unit must approve:

11           (1) every sale of real property having an appraised value of fifty  
12           thousand dollars (\$50,000) or more;

13           (2) every lease of real property for which the total annual rental  
14           payments will be twenty-five thousand dollars (\$25,000) or more;  
15           and

16           (3) every transfer of real property under section 14 or 15 of this  
17           chapter.

18          SECTION 43. IC 36-3-1-5 IS AMENDED TO READ AS  
19          FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) When a first class  
20          city becomes a consolidated city, the officers who become the  
21          executive and legislative body of the consolidated city under section  
22          4(c) of this chapter also become the executive and legislative body of  
23          the county.

24          (b) The members of the board of commissioners of the county are  
25          entitled to remain in office until their terms expire, although the board  
26          is no longer the executive of the county.

27          (c) As ~~their~~ **members of the board of commissioners'** terms expire  
28          or their positions become vacant, they shall be replaced by the  
29          following officers in the following order:

30           (1) The county treasurer.

31           (2) The county auditor.

32           (3) The county assessor.

33          These three (3) officers then serve ex officio as commissioners under  
34          IC 36-3-3-10. **This subsection expires January 1, 2015."**

35          Page 43, between lines 7 and 8, begin a new paragraph and insert:

36          "SECTION 47. IC 36-3-2-10, AS AMENDED BY P.L.146-2008,  
37          SECTION 701, IS AMENDED TO READ AS FOLLOWS  
38          [EFFECTIVE JULY 1, 2011]: Sec. 10. (a) The general assembly finds

1 the following:

2 (1) That the tax base of the consolidated city and the county have  
3 been significantly eroded through the ownership of tangible  
4 property by separate municipal corporations and other public  
5 entities that operate as private enterprises yet are exempt or whose  
6 property is exempt from property taxation.

7 (2) That to restore this tax base and provide a proper allocation of  
8 the cost of providing governmental services the legislative body  
9 of the consolidated city and county should be authorized to collect  
10 payments in lieu of taxes from these public entities.

11 (3) That the appropriate maximum payments in lieu of taxes  
12 would be the amount of the property taxes that would be paid if  
13 the tangible property were not subject to an exemption.

14 (b) As used in this section, the following terms have the meanings  
15 set forth in IC 6-1.1-1:

16 (1) Assessed value.

17 (2) Exemption.

18 (3) Owner.

19 (4) Person.

20 (5) Personal property.

21 (6) Property taxation.

22 (7) Tangible property.

23 (8) ~~Township~~ **County** assessor.

24 (c) As used in this section, "PILOTS" means payments in lieu of  
25 taxes.

26 (d) As used in this section, "public entity" means any of the  
27 following government entities in the county:

28 (1) An airport authority operating under IC 8-22-3.

29 (2) A capital improvement board of managers under IC 36-10-9.

30 (3) A building authority operating under IC 36-9-13.

31 (4) A wastewater treatment facility.

32 (e) The legislative body of the consolidated city may adopt an  
33 ordinance to require a public entity to pay PILOTS at times set forth in  
34 the ordinance with respect to:

35 (1) tangible property of which the public entity is the owner or the  
36 lessee and that is subject to an exemption;

37 (2) tangible property of which the owner is a person other than a  
38 public entity and that is subject to an exemption under IC 8-22-3;

1 or

2 (3) both.

3 The ordinance remains in full force and effect until repealed or  
4 modified by the legislative body.

5 (f) The PILOTS must be calculated so that the PILOTS may be in  
6 any amount that does not exceed the amount of property taxes that  
7 would have been levied by the legislative body for the consolidated city  
8 and county upon the tangible property described in subsection (e) if the  
9 property were not subject to an exemption from property taxation.

10 (g) PILOTS shall be imposed as are property taxes and shall be  
11 based on the assessed value of the tangible property described in  
12 subsection (e). Except as provided in subsection (l), the ~~township~~  
13 ~~assessor, or the county assessor if there is no township assessor for the~~  
14 ~~township~~, shall assess the tangible property described in subsection (e)  
15 as though the property were not subject to an exemption. The public  
16 entity shall report the value of personal property in a manner consistent  
17 with IC 6-1.1-3.

18 (h) Notwithstanding any law to the contrary, a public entity is  
19 authorized to pay PILOTS imposed under this section from any legally  
20 available source of revenues. The public entity may consider these  
21 payments to be operating expenses for all purposes.

22 (i) PILOTS shall be deposited in the consolidated county fund and  
23 used for any purpose for which the consolidated county fund may be  
24 used.

25 (j) PILOTS shall be due as set forth in the ordinance and bear  
26 interest, if unpaid, as in the case of other taxes on property. PILOTS  
27 shall be treated in the same manner as taxes for purposes of all  
28 procedural and substantive provisions of law.

29 (k) PILOTS imposed on a wastewater treatment facility may be paid  
30 only from the cash earnings of the facility remaining after provisions  
31 have been made to pay for current obligations, including:

- 32 (1) operating and maintenance expenses;  
33 (2) payment of principal and interest on any bonded indebtedness;  
34 (3) depreciation or replacement fund expenses;  
35 (4) bond and interest sinking fund expenses; and  
36 (5) any other priority fund requirements required by law or by any  
37 bond ordinance, resolution, indenture, contract, or similar  
38 instrument binding on the facility.

1 (f) If the duties of the township assessor have been transferred to the  
2 county assessor as described in IC 6-1.1-1-24, a reference to the  
3 township assessor in this section is considered to be a reference to the  
4 county assessor.

5 SECTION 48. IC 36-3-2-11, AS AMENDED BY P.L.146-2008,  
6 SECTION 702, IS AMENDED TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2011]: Sec. 11. (a) As used in this section, the  
8 following terms have the meanings set forth in IC 6-1.1-1:

- 9 (1) Assessed value.
- 10 (2) Exemption.
- 11 (3) Owner.
- 12 (4) Person.
- 13 (5) Property taxation.
- 14 (6) Real property.
- 15 (7) ~~Township County~~ assessor.

16 (b) As used in this section, "PILOTS" means payments in lieu of  
17 taxes.

18 (c) As used in this section, "property owner" means the owner of  
19 real property described in IC 6-1.1-10-16.7 that is located in a county  
20 with a consolidated city.

21 (d) Subject to the approval of a property owner, the legislative body  
22 of the consolidated city may adopt an ordinance to require the property  
23 owner to pay PILOTS at times set forth in the ordinance with respect  
24 to real property that is subject to an exemption under IC 6-1.1-10-16.7.  
25 The ordinance remains in full force and effect until repealed or  
26 modified by the legislative body, subject to the approval of the property  
27 owner.

28 (e) The PILOTS must be calculated so that the PILOTS are in an  
29 amount that is:

- 30 (1) agreed upon by the property owner and the legislative body of  
31 the consolidated city;
- 32 (2) a percentage of the property taxes that would have been levied  
33 by the legislative body for the consolidated city and the county  
34 upon the real property described in subsection (d) if the property  
35 were not subject to an exemption from property taxation; and
- 36 (3) not more than the amount of property taxes that would have  
37 been levied by the legislative body for the consolidated city and  
38 county upon the real property described in subsection (d) if the

1 property were not subject to an exemption from property taxation.

2 (f) PILOTS shall be imposed as are property taxes and shall be  
3 based on the assessed value of the real property described in subsection  
4 (d). Except as provided in subsection (i), the ~~township assessor, or the~~  
5 county assessor ~~if there is no township assessor for the township,~~ shall  
6 assess the real property described in subsection (d) as though the  
7 property were not subject to an exemption.

8 (g) PILOTS collected under this section shall be deposited in the  
9 housing trust fund established under IC 36-7-15.1-35.5 and used for  
10 any purpose for which the housing trust fund may be used.

11 (h) PILOTS shall be due as set forth in the ordinance and bear  
12 interest, if unpaid, as in the case of other taxes on property. PILOTS  
13 shall be treated in the same manner as taxes for purposes of all  
14 procedural and substantive provisions of law.

15 (i) ~~If the duties of the township assessor have been transferred to the~~  
16 ~~county assessor as described in IC 6-1-1-24, a reference to the~~  
17 ~~township assessor in this section is considered to be a reference to the~~  
18 ~~county assessor."~~

19 Page 43, line 9, delete "[EFFECTIVE JULY 1, 2011]:" and insert  
20 "[EFFECTIVE JANUARY 1, 2015]:".

21 Page 43, between lines 16 and 17, begin a new paragraph and insert:

22 "SECTION 48. IC 36-3-3-10 IS AMENDED TO READ AS  
23 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. (a) The board of  
24 commissioners of the county is composed of the county treasurer, the  
25 county auditor, and the county assessor. These officers shall serve ex  
26 officio as commissioners without additional compensation for  
27 performing the duties of the board.

- 28 (b) The board of commissioners:
- 29 (1) shall make the appointments required by statute to be made by
  - 30 the board of commissioners of a county;
  - 31 (2) shall perform the duties and exercise the powers prescribed by
  - 32 statutes pertaining to the issuance and payment of bonds of the
  - 33 county and the expenditure of the unexpended proceeds of those
  - 34 bonds; and
  - 35 (3) may exercise the powers granted it by Article 9, Section 3 of
  - 36 the Constitution of the State of Indiana and by IC 12-30-3.

37 **(c) This section expires January 1, 2015."**

38 Page 43, reset in roman lines 27 through 30.

- 1 Page 43, line 34, delete "(1)" and insert "(2)".
- 2 Page 43, line 36, delete "(2)" and insert "(3)".
- 3 Page 43, line 38, delete "(3)" and insert "(4)".
- 4 Page 43, line 40, delete "(4)" and insert "(5)".
- 5 Page 44, line 42, delete "[EFFECTIVE" and insert "[EFFECTIVE
- 6 JANUARY 1, 2015]:".
- 7 Page 45, line 1, delete "JULY 1, 2011]:".
- 8 Page 48, between lines 16 and 17, begin a new paragraph and insert:
- 9 "SECTION 56. IC 36-3-7-5, AS AMENDED BY P.L.146-2008,
- 10 SECTION 706, IS AMENDED TO READ AS FOLLOWS
- 11 [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) Liens for taxes levied by the
- 12 consolidated city are perfected when evidenced on the tax duplicate in
- 13 the office of the treasurer of the county.
- 14 (b) Liens created when the city enters upon property to make
- 15 improvements to bring it into compliance with a city ordinance, and
- 16 liens created upon failure to pay charges assessed by the city for
- 17 services shall be certified to the auditor, after the adoption of a
- 18 resolution confirming the incurred expense by the appropriate city
- 19 department, board, or other agency. In addition, the resolution must
- 20 state the name of the owner as it appears on the ~~township assessor's or~~
- 21 county assessor's record and a description of the property.
- 22 (c) The amount of a lien shall be placed on the tax duplicate by the
- 23 auditor in the nature of a delinquent tax subject to enforcement and
- 24 collection as otherwise provided under IC 6-1.1-22, IC 6-1.1-24, and
- 25 IC 6-1.1-25."
- 26 Page 58, between lines 14 and 15, begin a new paragraph and insert:
- 27 "SECTION 64. IC 36-7-9-2, AS AMENDED BY P.L.73-2010,
- 28 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 29 JULY 1, 2011]: Sec. 2. As used in this chapter:
- 30 "Community organization" means a citizen's group, neighborhood
- 31 association, neighborhood development corporation, or similar
- 32 organization that:
- 33 (1) has specific geographic boundaries defined in its bylaws or
- 34 articles of incorporation and contains at least forty (40)
- 35 households within those boundaries;
- 36 (2) is a nonprofit corporation that is representative of at least
- 37 twenty-five (25) households or twenty percent (20%) of the
- 38 households in the community, whichever is less;

- 1 (3) is operated primarily for the promotion of social welfare and  
 2 general neighborhood improvement and enhancement;  
 3 (4) has been incorporated for at least two (2) years; and  
 4 (5) is exempt from taxation under Section 501(c)(3) or 501(c)(4)  
 5 of the Internal Revenue Code.

6 "Continuous enforcement order" means an order that:

- 7 (1) is issued for compliance or abatement and that remains in full  
 8 force and effect on a property without further requirements to  
 9 seek additional:  
 10 (A) compliance and abatement authority; or  
 11 (B) orders for the same or similar violations;  
 12 (2) authorizes specific ongoing compliance and enforcement  
 13 activities if a property requires reinspection or additional periodic  
 14 abatement;  
 15 (3) can be enforced, including assessment of fees and costs,  
 16 without the need for additional notice or hearing; and  
 17 (4) authorizes the enforcement authority to assess and collect  
 18 ongoing costs for continuous enforcement order activities from  
 19 any party that is subject to the enforcement authority's order.

20 "Department" refers to the ~~executive~~ department authorized by  
 21 ordinance to administer this chapter. ~~In a consolidated city, this~~  
 22 ~~department is the department of metropolitan development, subject to~~  
 23 ~~IC 36-3-4-23.~~

24 "Enforcement authority" refers to the chief administrative officer of  
 25 the department, except in a consolidated city. In a consolidated city, ~~the~~  
 26 ~~division of development services is the enforcement authority subject~~  
 27 ~~to IC 36-3-4-23. refers to the department designated by ordinance.~~

28 "Hearing authority" refers to a person or persons designated as such  
 29 by the executive of a city or county, or by the legislative body of a  
 30 town. However, in a consolidated city, the director of the department  
 31 or a person designated by the director is the hearing authority. An  
 32 employee of the enforcement authority may not be designated as the  
 33 hearing authority.

34 "Known or recorded fee interest, life estate interest, or equitable  
 35 interest of a contract purchaser" means any fee interest, life estate  
 36 interest, or equitable interest of a contract purchaser held by a person  
 37 whose identity and address may be determined from:

- 38 (1) an instrument recorded in the recorder's office of the county

- 1 where the unsafe premises is located;
- 2 (2) written information or actual knowledge received by the
- 3 department (or, in the case of a consolidated city, the enforcement
- 4 authority); or
- 5 (3) a review of department (or, in the case of a consolidated city,
- 6 the enforcement authority) records that is sufficient to identify
- 7 information that is reasonably ascertainable.

8 "Known or recorded substantial property interest" means any right  
 9 in real property, including a fee interest, a life estate interest, a future  
 10 interest, a mortgage interest, a lien as evidenced by a certificate of sale  
 11 issued under IC 6-1.1-24, or an equitable interest of a contract  
 12 purchaser, that:

- 13 (1) may be affected in a substantial way by actions authorized by
- 14 this chapter; and
- 15 (2) is held by a person whose identity and address may be
- 16 determined from:

- 17 (A) an instrument recorded in:
  - 18 (i) the recorder's office of the county where the unsafe
  - 19 premises is located; or
  - 20 (ii) the office of the county auditor of the county where the
  - 21 unsafe premises are located in the case of a lien evidenced
  - 22 by a certificate of sale issued under IC 6-1.1-24;
- 23 (B) written information or actual knowledge received by the
- 24 department (or, in the case of a consolidated city, the
- 25 enforcement authority); or
- 26 (C) a review of department (or, in the case of a consolidated
- 27 city, the enforcement authority) records that is sufficient to
- 28 identify information that is reasonably ascertainable.

29 "Substantial property interest" means any right in real property that  
 30 may be affected in a substantial way by actions authorized by this  
 31 chapter, including a fee interest, a life estate interest, a future interest,  
 32 a mortgage interest, or an equitable interest of a contract purchaser.

33 SECTION 65. IC 36-7-9-11, AS AMENDED BY P.L.169-2006,  
 34 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 35 JULY 1, 2011]: Sec. 11. (a) The work required by an order of the  
 36 enforcement authority may be performed in the following manner:

- 37 (1) If the work is being performed under an order other than an
- 38 order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, and

1 if the cost of this work is estimated to be less than ten thousand  
 2 dollars (\$10,000), the department, acting through the unit's  
 3 enforcement authority or other agent, may perform the work by  
 4 means of the unit's own workers and equipment owned or leased  
 5 by the unit. Notice that this work is to be performed must be given  
 6 to all persons with a known or recorded substantial property  
 7 interest, in the manner prescribed in subsection (c), at least ten  
 8 (10) days before the date of performance of the work by the  
 9 enforcement authority. This notice must include a statement that  
 10 an amount representing a reasonable estimate of the cost incurred  
 11 by the enforcement authority in processing the matter and  
 12 performing the work may, if not paid, be recorded after a hearing  
 13 as a lien against all persons having a fee interest, life estate  
 14 interest, or equitable interest of a contract purchaser in the unsafe  
 15 premises.

16 (2) If the work is being performed under an order other than an  
 17 order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, and  
 18 if the estimated cost of this work is ten thousand dollars (\$10,000)  
 19 or more, this work must be ~~let at public~~ **awarded by contract**  
 20 **after a public bid opening** to a contractor licensed and qualified  
 21 under law. The obligation to pay costs imposed by section 12 of  
 22 this chapter is based on the condition of the unsafe premises at the  
 23 time the public bid was accepted. Changes occurring in the  
 24 condition of the unsafe premises after the public bid was accepted  
 25 do not eliminate or diminish this obligation.

26 (3) If the work is being performed under an order issued under  
 27 section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, the work may  
 28 be performed by a contractor ~~who has been~~ awarded a ~~base bid~~  
 29 contract to perform the work for the enforcement authority, or by  
 30 the department, acting through the unit's enforcement authority or  
 31 other governmental agency and using the unit's own workers and  
 32 equipment owned or leased by the unit. Work performed under an  
 33 order issued under section 5(a)(2), 5(a)(3), or 5(a)(4) of this  
 34 chapter may be performed without further notice to the persons  
 35 holding a fee interest, life estate interest, or equitable interest of  
 36 a contract purchaser, and these persons are liable for the costs  
 37 incurred by the enforcement authority in processing the matter  
 38 and performing the work, as provided by section 12 of this

1 chapter.

2 (b) Bids may be solicited and ~~accepted a contract awarded~~ for  
 3 work on more than one (1) property if the bid **and contract reflects**  
 4 **include** an allocation of the ~~bid amount costs~~ among the various unsafe  
 5 premises in proportion to the work to be accomplished. The part of the  
 6 bid amount attributable to each of the unsafe premises constitutes the  
 7 basis for calculating the part of the costs described by section 12(a)(1)  
 8 of this chapter.

9 (c) All persons who have a known or recorded substantial property  
 10 interest in the unsafe premises and are subject to an order other than an  
 11 order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter must be  
 12 notified about the public bid in the manner prescribed by section 25 of  
 13 this chapter, by means of a written statement including:

- 14 (1) the name of the person to whom the order was issued;  
 15 (2) a legal description or address of the unsafe premises that are  
 16 the subject of the order;  
 17 (3) ~~a statement that a contract is to be let at public bid to a~~  
 18 ~~licensed contractor to accomplish work to comply with the order;~~  
 19 **will be opened;**  
 20 (4) a description of work to be accomplished;  
 21 (5) ~~a statement~~ that both the bid price of the licensed contractor  
 22 who accomplishes the work and an amount representing a  
 23 reasonable estimate of the cost incurred by the enforcement  
 24 authority in processing the matter of the unsafe premises may, if  
 25 not paid, be recorded after a hearing as a lien against all persons  
 26 having a fee interest, life estate interest, or equitable interest of a  
 27 contract purchaser in the unsafe premises;  
 28 (6) the time of the bid opening;  
 29 (7) the place of the bid opening; and  
 30 (8) the name, address, and telephone number of the enforcement  
 31 authority.

32 (d) If the notice of the statement that public bids are to be ~~let~~  
 33 **opened** is served by publication, the publication must include the  
 34 information required by subsection (c), except that it need only include  
 35 a general description of the work to be accomplished. The publication  
 36 must also state that a copy of the statement of public bid may be  
 37 obtained from the enforcement authority.

38 (e) Notice of the statement that public bids are to be ~~let~~ **opened**

1 must be given, at least ten (10) days before the date of the public bid  
 2 **opening**, to all persons who have a known or recorded substantial  
 3 property interest in the property and are subject to an order other than  
 4 an order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter.

5 (f) If action is being taken under this section on the basis of an order  
 6 that was served by publication, it is sufficient to serve the statement  
 7 that public bids are to be ~~let~~ **opened** by publication, unless the  
 8 enforcement authority has received information in writing that enables  
 9 the unit to make service under section 25 of this chapter by a method  
 10 other than publication."

11 Page 65, line 32, delete "[EFFECTIVE" and insert "[EFFECTIVE  
 12 JANUARY 1, 2015]:".

13 Page 65, line 33, delete "JULY 1, 2011]:".

14 Page 66, line 1, delete "Four (4) members, not more than three (3)"  
 15 and insert "**Three (3) members, not more than two (2)**".

16 Page 66, line 7, strike "One (1) member" and insert "**Two (2)**  
 17 **members**".

18 Page 66, line 31, delete "[EFFECTIVE JULY 1, 2011]:" and insert  
 19 "[EFFECTIVE JANUARY 1, 2015]:".

20 Page 67, delete lines 15 through 16.

21 Renumber all SECTIONS consecutively.

(Reference is to SB 526 as reprinted February 22, 2011.)

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

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Representative Hinkle