

# COMMITTEE REPORT

---

## MADAM PRESIDENT:

**The Senate Committee on Appropriations, to which was referred Senate Bill No. 550, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:**

- 1           Page 1, delete lines 1 through 11.
- 2           Page 2, line 13, delete "acquired, as approved by the" and insert
- 3           "acquired."
- 4           Page 2, delete line 14.
- 5           Page 3, delete lines 2 through 42, begin a new paragraph and insert:
- 6           "SECTION 4. IC 36-7-14-8, AS AMENDED BY P.L.190-2005,
- 7           SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 8           JULY 1, 2011]: Sec. 8. (a) The redevelopment commissioners shall
- 9           hold a meeting for the purpose of organization not later than thirty (30)
- 10          days after they are appointed and, after that, each year on the first day
- 11          in January that is not a Saturday, a Sunday, or a legal holiday. They
- 12          shall choose one (1) of their members as president, another as vice
- 13          president, and another as secretary. These officers shall perform the
- 14          duties usually pertaining to their offices and shall serve from the date
- 15          of their election until their successors are elected and qualified.
- 16          (b) The redevelopment commission may appoint a treasurer who
- 17          need not be a member of the redevelopment commission. The
- 18          redevelopment commission may provide for the payment of
- 19          compensation to a treasurer who is not a member of the redevelopment
- 20          commission. Notwithstanding any other provision of this chapter, the
- 21          treasurer has charge over and is responsible for the administration,

1 investment, and disbursement of all funds and accounts of the  
 2 redevelopment commission in accordance with the requirements of this  
 3 chapter. However, the treasurer may not perform any duties of the  
 4 fiscal officer or any other officer of the unit that are prescribed by  
 5 section 24 of this chapter or by any provisions of this chapter that  
 6 pertain to the issuance and sale of bonds, notes, or warrants of the  
 7 special taxing district. **The treasurer shall report quarterly to the**  
 8 **fiscal officer of the unit.**

9 (c) The redevelopment commissioners may adopt the rules and  
 10 bylaws they consider necessary for the proper conduct of their  
 11 proceedings, the carrying out of their duties, and the safeguarding of  
 12 the money and property placed in their custody by this chapter. In  
 13 addition to the annual meeting, the commissioners may, by resolution  
 14 or in accordance with their rules and bylaws, prescribe the date and  
 15 manner of notice of other regular or special meetings.

16 (d) This subsection does not apply to a county redevelopment  
 17 commission that consists of seven (7) members. Three (3) of the  
 18 redevelopment commissioners constitute a quorum, and the  
 19 concurrence of three (3) commissioners is necessary to authorize any  
 20 action.

21 (e) This subsection applies only to a county redevelopment  
 22 commission that consists of seven (7) members. Four (4) of the  
 23 redevelopment commissioners constitute a quorum, and the  
 24 concurrence of four (4) commissioners is necessary to authorize any  
 25 action."

26 Page 4, delete lines 1 through 6.

27 Page 7, between lines 28 and 29, begin a new paragraph and insert:

28 "SECTION 7. IC 36-7-14-19, AS AMENDED BY P.L.185-2005,  
 29 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JULY 1, 2011]: Sec. 19. (a) If no appeal is taken or if an appeal is  
 31 taken but is unsuccessful, the redevelopment commission shall proceed  
 32 with the proposed project to the extent that money is available for that  
 33 purpose.

34 (b) The redevelopment commission shall first approve and adopt a  
 35 list of the real property and interests in real property to be acquired and  
 36 the price to be offered to the owner of each parcel of interest. The  
 37 prices to be offered may not exceed the average of two (2) independent  
 38 appraisals of fair market value procured by the commission except that  
 39 appraisals are not required in transactions with other governmental  
 40 agencies. However, if the real property is less than five (5) acres in size  
 41 and the fair market value of the real property or interest has been  
 42 appraised by one (1) independent appraiser at less than ten thousand

1 dollars (\$10,000), the second appraisal may be made by a qualified  
 2 employee of the department of redevelopment. The prices indicated on  
 3 the list may not be exceeded unless specifically authorized by the  
 4 commission or ordered by a court in condemnation proceedings. The  
 5 commission may except from acquisition any real property in the area  
 6 if the commission finds that such an acquisition is not necessary under  
 7 the redevelopment plan. Appraisals made under this section are for the  
 8 information of the commission and are not open for public inspection.

9 (c) Negotiations for the purchase of property may be carried on  
 10 directly by the redevelopment commission, by its employees, or by  
 11 expert negotiations, but no option, contract, or understanding relative  
 12 to the purchase of real property is binding on the commission until  
 13 approved and accepted by the commission in writing. The commission  
 14 may authorize the payment of a nominal fee to bind an option and as a  
 15 part of the consideration for conveyance may agree to pay the expense  
 16 incident to the conveyance and determination of the title of the  
 17 property. Payment for the property purchased shall be made when and  
 18 as directed by the commission but only on delivery of proper  
 19 instruments conveying the title or interest of the owner to the "City  
 20 (Town or County) of \_\_\_\_\_ for the use and benefit of its  
 21 department of redevelopment". **Notwithstanding the other provisions**  
 22 **of this subsection, any agreement by the commission to make**  
 23 **payments for the property purchased over a term exceeding five**  
 24 **(5) years is subject to the approval of the legislative body of the**  
 25 **unit.**

26 (d) All real property and interests in real property acquired by the  
 27 redevelopment commission are free and clear of all liens, assessments,  
 28 and other governmental charges except for current property taxes,  
 29 which shall be prorated to the date of acquisition.

30 (e) Notwithstanding subsections (a) through (d), the redevelopment  
 31 commission may, before the time referred to in this section, accept gifts  
 32 of property needed for the redevelopment of redevelopment project  
 33 areas if the property is free and clear of all liens other than taxes,  
 34 assessments, and other governmental charges. The commission may,  
 35 before the time referred to in this section, take options on or contract  
 36 for the acquisition of property needed for the redevelopment of  
 37 redevelopment project areas if the options and contracts are not binding  
 38 on the commission or the district until the time referred to in this  
 39 section and until money is available to pay the consideration set out in  
 40 the options or contracts."

41 Page 10, line 24, delete ":".

42 Page 10, delete lines 25 through 26.

1 Page 10, line 27, delete "of the".

2 Page 10, run in lines 24 through 27.

3 Page 11, line 19, after "chapter" insert "**or other revenues of the**  
4 **redevelopment commission**".

5 Page 11, line 21, reset in roman "five (5)"

6 Page 11, line 21, delete "two (2)".

7 Page 20, delete lines 12 through 21, begin a new line block indented  
8 and insert:

9 "(2) Except as otherwise provided in this section, property tax  
10 proceeds in excess of those described in subdivision (1) shall be  
11 allocated to the redevelopment district and, when collected, paid  
12 into an allocation fund for that allocation area that may be used by  
13 the redevelopment district only to do one (1) or more of the  
14 following:".

15 Page 23, line 1, after "(2)." insert "**The legislative body of the unit**  
16 **shall review the commission's determination, may modify the**  
17 **determination, and must approve the final determination.**".

18 Page 23, line 9, strike "commission" and insert "**legislative body**".

19 Page 23, line 12, strike "commission" and insert "**legislative body**".

20 Page 23, line 17, before "The" strike "commission." and insert  
21 "**legislative body.**".

22 Page 23, line 17, after "The" strike "commission" and insert  
23 "**legislative body**".

24 Page 30, after line 37, begin a new paragraph and insert:

25 "SECTION 23.IC 36-7-15.1-12, AS AMENDED BY P.L.185-2005,  
26 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
27 JULY 1, 2011]: Sec. 12. (a) If no appeal is taken, or if an appeal is  
28 taken but is unsuccessful, the commission shall proceed with the  
29 proposed project, to the extent that money is available for that purpose.

30 (b) The commission shall first approve and adopt a list of the real  
31 property and interests in real property to be acquired, and the price to  
32 be offered to the owner of each parcel or interests. The prices to be  
33 offered may not exceed the average of two (2) independent appraisals  
34 of fair market value procured by the commission, except that appraisals  
35 are not required in transactions with other governmental agencies.  
36 However, if the real property is less than five (5) acres in size and the  
37 fair market value of the real property or interest has been appraised by  
38 one (1) independent appraiser at less than ten thousand dollars  
39 (\$10,000), the second appraisal may be made by a qualified employee  
40 of the department. The prices indicated on the list may not be exceeded  
41 unless specifically authorized by the commission under section 7 of  
42 this chapter or ordered by a court in condemnation proceedings. The

1 commission may except from acquisition any real property in the area  
 2 if it finds that such an acquisition is not necessary under the  
 3 redevelopment plan. Appraisals made under this section are for the  
 4 information of the commission and are not open for public inspection.

5 (c) Negotiations for the purchase of property may be carried on  
 6 directly by the commission, by its employees, or by expert negotiators  
 7 employed for that purpose. The commission shall adopt a standard  
 8 form of option for use in negotiations, but no option, contract, or  
 9 understanding relative to the purchase of real property is binding on the  
 10 commission until approved and accepted by the commission in writing.  
 11 The commission may authorize the payment of a nominal fee to bind  
 12 an option, and as a part of the consideration for conveyance may agree  
 13 to pay the expense incident to the conveyance and determination of the  
 14 title of the property. Payment for the property purchased shall be made  
 15 when and as directed by the commission, but only on delivery of proper  
 16 instruments conveying the title or interest of the owner to "City of  
 17 \_\_\_\_\_ for the use and benefit of its Department of Metropolitan  
 18 Development". **Notwithstanding the other provisions of this**  
 19 **subsection, any agreement by the commission to make payments**  
 20 **for the property purchased over a term exceeding five (5) years is**  
 21 **subject to the approval of the legislative body of the unit.**

22 (d) Notwithstanding subsections (a) through (c), the commission  
 23 may, before the time referred to in this section, accept gifts of property  
 24 needed for the redevelopment of redevelopment project areas. The  
 25 commission may, before the time referred to in this section, take  
 26 options on or contract for the acquisition of property needed for the  
 27 redevelopment of redevelopment project areas if the options and  
 28 contracts are not binding on the commission or the redevelopment  
 29 district until the time referred to in this section and until money is  
 30 available to pay the consideration set out in the options or contracts.

31 (e) Section 15(a) through 15(h) of this chapter does not apply to  
 32 exchanges of real property (or interests in real property) in connection  
 33 with the acquisition of real property (or interests in real property) under  
 34 this section. In acquiring real property (or interests in real property)  
 35 under this section the commission may, as an alternative to offering  
 36 payment of money as specified in subsection (b), offer for the real  
 37 property (or interest in real property) that the commission desires to  
 38 acquire:

- 39 (1) exchange of real property or interests in real property owned  
 40 by the redevelopment district;
- 41 (2) exchange of real property or interests in real property owned  
 42 by the redevelopment district, along with the payment of money

1 by the commission; or  
 2 (3) exchange of real property or interests in real property owned  
 3 by the redevelopment district along with the payment of money by  
 4 the owner of the real property or interests in real property that the  
 5 commission desires to acquire.

6 The commission shall have the fair market value of the real property or  
 7 interests in real property owned by the redevelopment district appraised  
 8 as specified in section 15(b) of this chapter. The appraisers may not  
 9 also appraise the value of the real property or interests in real property  
 10 to be acquired by the redevelopment district. The commission shall  
 11 establish the nature of the offer to the owner based on the difference  
 12 between the average of the two (2) appraisals of the fair market value  
 13 of the real property or interests in real property to be acquired by the  
 14 commission and the average of the appraisals of fair market value of  
 15 the real property or interests in real property to be exchanged by the  
 16 commission.

17 SECTION 24. IC 36-7-15.1-26, AS AMENDED BY  
 18 P.L.182-2009(ss), SECTION 406, IS AMENDED TO READ AS  
 19 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 26. (a) As used in this  
 20 section:

21 "Allocation area" means that part of a redevelopment project area  
 22 to which an allocation provision of a resolution adopted under section  
 23 8 of this chapter refers for purposes of distribution and allocation of  
 24 property taxes.

25 "Base assessed value" means the following:

26 (1) If an allocation provision is adopted after June 30, 1995, in a  
 27 declaratory resolution or an amendment to a declaratory  
 28 resolution establishing an economic development area:

29 (A) the net assessed value of all the property as finally  
 30 determined for the assessment date immediately preceding the  
 31 effective date of the allocation provision of the declaratory  
 32 resolution, as adjusted under subsection (h); plus

33 (B) to the extent that it is not included in clause (A), the net  
 34 assessed value of property that is assessed as residential  
 35 property under the rules of the department of local government  
 36 finance, as finally determined for any assessment date after the  
 37 effective date of the allocation provision.

38 (2) If an allocation provision is adopted after June 30, 1997, in a  
 39 declaratory resolution or an amendment to a declaratory  
 40 resolution establishing a redevelopment project area:

41 (A) the net assessed value of all the property as finally  
 42 determined for the assessment date immediately preceding the

1 effective date of the allocation provision of the declaratory  
 2 resolution, as adjusted under subsection (h); plus  
 3 (B) to the extent that it is not included in clause (A), the net  
 4 assessed value of property that is assessed as residential  
 5 property under the rules of the department of local government  
 6 finance, as finally determined for any assessment date after the  
 7 effective date of the allocation provision.

8 (3) If:

9 (A) an allocation provision adopted before June 30, 1995, in  
 10 a declaratory resolution or an amendment to a declaratory  
 11 resolution establishing a redevelopment project area expires  
 12 after June 30, 1997; and

13 (B) after June 30, 1997, a new allocation provision is included  
 14 in an amendment to the declaratory resolution;

15 the net assessed value of all the property as finally determined for  
 16 the assessment date immediately preceding the effective date of  
 17 the allocation provision adopted after June 30, 1997, as adjusted  
 18 under subsection (h).

19 (4) Except as provided in subdivision (5), for all other allocation  
 20 areas, the net assessed value of all the property as finally  
 21 determined for the assessment date immediately preceding the  
 22 effective date of the allocation provision of the declaratory  
 23 resolution, as adjusted under subsection (h).

24 (5) If an allocation area established in an economic development  
 25 area before July 1, 1995, is expanded after June 30, 1995, the  
 26 definition in subdivision (1) applies to the expanded part of the  
 27 area added after June 30, 1995.

28 (6) If an allocation area established in a redevelopment project  
 29 area before July 1, 1997, is expanded after June 30, 1997, the  
 30 definition in subdivision (2) applies to the expanded part of the  
 31 area added after June 30, 1997.

32 Except as provided in section 26.2 of this chapter, "property taxes"  
 33 means taxes imposed under IC 6-1.1 on real property. However, upon  
 34 approval by a resolution of the redevelopment commission adopted  
 35 before June 1, 1987, "property taxes" also includes taxes imposed  
 36 under IC 6-1.1 on depreciable personal property. If a redevelopment  
 37 commission adopted before June 1, 1987, a resolution to include within  
 38 the definition of property taxes taxes imposed under IC 6-1.1 on  
 39 depreciable personal property that has a useful life in excess of eight  
 40 (8) years, the commission may by resolution determine the percentage  
 41 of taxes imposed under IC 6-1.1 on all depreciable personal property  
 42 that will be included within the definition of property taxes. However,

1 the percentage included must not exceed twenty-five percent (25%) of  
2 the taxes imposed under IC 6-1.1 on all depreciable personal property.

3 (b) A resolution adopted under section 8 of this chapter on or before  
4 the allocation deadline determined under subsection (i) may include a  
5 provision with respect to the allocation and distribution of property  
6 taxes for the purposes and in the manner provided in this section. A  
7 resolution previously adopted may include an allocation provision by  
8 the amendment of that resolution on or before the allocation deadline  
9 determined under subsection (i) in accordance with the procedures  
10 required for its original adoption. A declaratory resolution or an  
11 amendment that establishes an allocation provision after June 30, 1995,  
12 must specify an expiration date for the allocation provision. For an  
13 allocation area established before July 1, 2008, the expiration date may  
14 not be more than thirty (30) years after the date on which the allocation  
15 provision is established. For an allocation area established after June  
16 30, 2008, the expiration date may not be more than twenty-five (25)  
17 years after the date on which the first obligation was incurred to pay  
18 principal and interest on bonds or lease rentals on leases payable from  
19 tax increment revenues. However, with respect to bonds or other  
20 obligations that were issued before July 1, 2008, if any of the bonds or  
21 other obligations that were scheduled when issued to mature before the  
22 specified expiration date and that are payable only from allocated tax  
23 proceeds with respect to the allocation area remain outstanding as of  
24 the expiration date, the allocation provision does not expire until all of  
25 the bonds or other obligations are no longer outstanding. The allocation  
26 provision may apply to all or part of the redevelopment project area.  
27 The allocation provision must require that any property taxes  
28 subsequently levied by or for the benefit of any public body entitled to  
29 a distribution of property taxes on taxable property in the allocation  
30 area be allocated and distributed as follows:

31 (1) Except as otherwise provided in this section, the proceeds of  
32 the taxes attributable to the lesser of:

33 (A) the assessed value of the property for the assessment date  
34 with respect to which the allocation and distribution is made;

35 or

36 (B) the base assessed value;

37 shall be allocated to and, when collected, paid into the funds of  
38 the respective taxing units.

39 (2) Except as otherwise provided in this section, property tax  
40 proceeds in excess of those described in subdivision (1) shall be  
41 allocated to the redevelopment district and, when collected, paid  
42 into a special fund for that allocation area that may be used by the

1 redevelopment district only to do one (1) or more of the  
2 following:

3 (A) Pay the principal of and interest on any obligations  
4 payable solely from allocated tax proceeds that are incurred by  
5 the redevelopment district for the purpose of financing or  
6 refinancing the redevelopment of that allocation area.

7 (B) Establish, augment, or restore the debt service reserve for  
8 bonds payable solely or in part from allocated tax proceeds in  
9 that allocation area.

10 (C) Pay the principal of and interest on bonds payable from  
11 allocated tax proceeds in that allocation area and from the  
12 special tax levied under section 19 of this chapter.

13 (D) Pay the principal of and interest on bonds issued by the  
14 consolidated city to pay for local public improvements that are  
15 physically located in or physically connected to that allocation  
16 area.

17 (E) Pay premiums on the redemption before maturity of bonds  
18 payable solely or in part from allocated tax proceeds in that  
19 allocation area.

20 (F) Make payments on leases payable from allocated tax  
21 proceeds in that allocation area under section 17.1 of this  
22 chapter.

23 (G) Reimburse the consolidated city for expenditures for local  
24 public improvements (which include buildings, parking  
25 facilities, and other items set forth in section 17 of this  
26 chapter) that are physically located in or physically connected  
27 to that allocation area.

28 (H) Reimburse the unit for rentals paid by it for a building or  
29 parking facility that is physically located in or physically  
30 connected to that allocation area under any lease entered into  
31 under IC 36-1-10.

32 (I) Reimburse public and private entities for expenses incurred  
33 in training employees of industrial facilities that are located:

34 (i) in the allocation area; and

35 (ii) on a parcel of real property that has been classified as  
36 industrial property under the rules of the department of local  
37 government finance.

38 However, the total amount of money spent for this purpose in  
39 any year may not exceed the total amount of money in the  
40 allocation fund that is attributable to property taxes paid by the  
41 industrial facilities described in this clause. The  
42 reimbursements under this clause must be made within three

1 (3) years after the date on which the investments that are the  
2 basis for the increment financing are made.

3 (J) Pay the costs of carrying out an eligible efficiency project  
4 (as defined in IC 36-9-41-1.5) within the unit that established  
5 the redevelopment commission. However, property tax  
6 proceeds may be used under this clause to pay the costs of  
7 carrying out an eligible efficiency project only if those  
8 property tax proceeds exceed the amount necessary to do the  
9 following:

10 (i) Make, when due, any payments required under clauses  
11 (A) through (I), including any payments of principal and  
12 interest on bonds and other obligations payable under this  
13 subdivision, any payments of premiums under this  
14 subdivision on the redemption before maturity of bonds, and  
15 any payments on leases payable under this subdivision.

16 (ii) Make any reimbursements required under this  
17 subdivision.

18 (iii) Pay any expenses required under this subdivision.

19 (iv) Establish, augment, or restore any debt service reserve  
20 under this subdivision.

21 The special fund may not be used for operating expenses of the  
22 commission.

23 (3) Before July 15 of each year, the commission shall do the  
24 following:

25 (A) Determine the amount, if any, by which the assessed value  
26 of the taxable property in the allocation area for the most  
27 recent assessment date minus the base assessed value, when  
28 multiplied by the estimated tax rate of the allocation area, will  
29 exceed the amount of assessed value needed to provide the  
30 property taxes necessary to make, when due, principal and  
31 interest payments on bonds described in subdivision (2) plus  
32 the amount necessary for other purposes described in  
33 subdivision (2) and subsection (g). **The legislative body of  
34 the unit shall review the commission's determination, may  
35 modify the determination, and must approve the final  
36 determination.**

37 (B) Provide a written notice to the county auditor, the  
38 legislative body of the consolidated city, and the officers who  
39 are authorized to fix budgets, tax rates, and tax levies under  
40 IC 6-1.1-17-5 for each of the other taxing units that is wholly  
41 or partly located within the allocation area. The notice must:

42 (i) state the amount, if any, of excess assessed value that the

1           ~~commission~~ **legislative body** has determined may be  
 2           allocated to the respective taxing units in the manner  
 3           prescribed in subdivision (1); or

4           (ii) state that the ~~commission~~ **legislative body** has  
 5           determined that there is no excess assessed value that may  
 6           be allocated to the respective taxing units in the manner  
 7           prescribed in subdivision (1).

8           The county auditor shall allocate to the respective taxing units  
 9           the amount, if any, of excess assessed value determined by the  
 10          ~~commission~~ **legislative body**. The ~~commission~~ **legislative**  
 11          **body** may not authorize an allocation to the respective taxing  
 12          units under this subdivision if to do so would endanger the  
 13          interests of the holders of bonds described in subdivision (2).

14          (c) For the purpose of allocating taxes levied by or for any taxing  
 15          unit or units, the assessed value of taxable property in a territory in the  
 16          allocation area that is annexed by any taxing unit after the effective  
 17          date of the allocation provision of the resolution is the lesser of:

- 18               (1) the assessed value of the property for the assessment date with  
 19               respect to which the allocation and distribution is made; or  
 20               (2) the base assessed value.

21          (d) Property tax proceeds allocable to the redevelopment district  
 22          under subsection (b)(2) may, subject to subsection (b)(3), be  
 23          irrevocably pledged by the redevelopment district for payment as set  
 24          forth in subsection (b)(2).

25          (e) Notwithstanding any other law, each assessor shall, upon  
 26          petition of the commission, reassess the taxable property situated upon  
 27          or in, or added to, the allocation area, effective on the next assessment  
 28          date after the petition.

29          (f) Notwithstanding any other law, the assessed value of all taxable  
 30          property in the allocation area, for purposes of tax limitation, property  
 31          tax replacement, and formulation of the budget, tax rate, and tax levy  
 32          for each political subdivision in which the property is located is the  
 33          lesser of:

- 34               (1) the assessed value of the property as valued without regard to  
 35               this section; or  
 36               (2) the base assessed value.

37          (g) If any part of the allocation area is located in an enterprise zone  
 38          created under IC 5-28-15, the unit that designated the allocation area  
 39          shall create funds as specified in this subsection. A unit that has  
 40          obligations, bonds, or leases payable from allocated tax proceeds under  
 41          subsection (b)(2) shall establish an allocation fund for the purposes  
 42          specified in subsection (b)(2) and a special zone fund. Such a unit

1 shall, until the end of the enterprise zone phase out period, deposit each  
 2 year in the special zone fund the amount in the allocation fund derived  
 3 from property tax proceeds in excess of those described in subsection  
 4 (b)(1) from property located in the enterprise zone that exceeds the  
 5 amount sufficient for the purposes specified in subsection (b)(2) for the  
 6 year. A unit that has no obligations, bonds, or leases payable from  
 7 allocated tax proceeds under subsection (b)(2) shall establish a special  
 8 zone fund and deposit all the property tax proceeds in excess of those  
 9 described in subsection (b)(1) in the fund derived from property tax  
 10 proceeds in excess of those described in subsection (b)(1) from  
 11 property located in the enterprise zone. The unit that creates the special  
 12 zone fund shall use the fund, based on the recommendations of the  
 13 urban enterprise association, for one (1) or more of the following  
 14 purposes:

15 (1) To pay for programs in job training, job enrichment, and basic  
 16 skill development designed to benefit residents and employers in  
 17 the enterprise zone. The programs must reserve at least one-half  
 18 (1/2) of the enrollment in any session for residents of the  
 19 enterprise zone.

20 (2) To make loans and grants for the purpose of stimulating  
 21 business activity in the enterprise zone or providing employment  
 22 for enterprise zone residents in the enterprise zone. These loans  
 23 and grants may be made to the following:

24 (A) Businesses operating in the enterprise zone.

25 (B) Businesses that will move their operations to the enterprise  
 26 zone if such a loan or grant is made.

27 (3) To provide funds to carry out other purposes specified in  
 28 subsection (b)(2). However, where reference is made in  
 29 subsection (b)(2) to the allocation area, the reference refers for  
 30 purposes of payments from the special zone fund only to that part  
 31 of the allocation area that is also located in the enterprise zone.

32 (h) The state board of accounts and department of local government  
 33 finance shall make the rules and prescribe the forms and procedures  
 34 that they consider expedient for the implementation of this chapter.  
 35 After each general reassessment under IC 6-1.1-4, the department of  
 36 local government finance shall adjust the base assessed value one (1)  
 37 time to neutralize any effect of the general reassessment on the  
 38 property tax proceeds allocated to the redevelopment district under this  
 39 section. After each annual adjustment under IC 6-1.1-4-4.5, the  
 40 department of local government finance shall adjust the base assessed  
 41 value to neutralize any effect of the annual adjustment on the property  
 42 tax proceeds allocated to the redevelopment district under this section.

1       However, the adjustments under this subsection may not include the  
 2       effect of property tax abatements under IC 6-1.1-12.1, and these  
 3       adjustments may not produce less property tax proceeds allocable to  
 4       the redevelopment district under subsection (b)(2) than would  
 5       otherwise have been received if the general reassessment or annual  
 6       adjustment had not occurred. The department of local government  
 7       finance may prescribe procedures for county and township officials to  
 8       follow to assist the department in making the adjustments.

9       (i) The allocation deadline referred to in subsection (b) is  
 10       determined in the following manner:

11             (1) The initial allocation deadline is December 31, 2011.

12             (2) Subject to subdivision (3), the initial allocation deadline and  
 13             subsequent allocation deadlines are automatically extended in  
 14             increments of five (5) years, so that allocation deadlines  
 15             subsequent to the initial allocation deadline fall on December 31,  
 16             2016, and December 31 of each fifth year thereafter.

17             (3) At least one (1) year before the date of an allocation deadline  
 18             determined under subdivision (2), the general assembly may enact  
 19             a law that:

20                 (A) terminates the automatic extension of allocation deadlines  
 21                 under subdivision (2); and

22                 (B) specifically designates a particular date as the final  
 23                 allocation deadline."

24       Renumber all SECTIONS consecutively.

(Reference is to SB 550 as introduced.)

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

Committee Vote: Yeas 9, Nays 0.

---

**Senator Kenley, Chairperson**