

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

# HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 173 be amended to read as follows:

- 1 Page 2, between lines 24 and 25, begin a new paragraph and insert:
- 2 "SECTION 2. IC 8-22-2-18.5 IS AMENDED TO READ AS
- 3 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 18.5. (a) The board
- 4 may negotiate terms and borrow money from any source for the
- 5 payment of the costs of airport capital improvements, including the
- 6 acquisition of real property or construction or improvement of revenue
- 7 producing buildings or facilities located on an airport and owned and
- 8 operated by the eligible entity, subject to the following requirements:
- 9 (1) The loan contract must be approved by resolution of the board
- 10 and the fiscal body of the eligible entity that established the board.
- 11 (2) The loan contract must provide for the repayment of the loan
- 12 in not more than forty (40) years.
- 13 (3) The loan contract must state that the indebtedness is that of the
- 14 board, is payable solely from revenues of the board that are
- 15 derived from either airport operations or from revenue bonds, and
- 16 may not be paid by a tax levied on property located within the
- 17 district.
- 18 (4) The loan contract must be submitted to the department of local
- 19 government finance, which may approve, disapprove, or reduce
- 20 the amount of the proposed loan contract. The department of local
- 21 government finance must make a decision on the loan contract
- 22 within thirty (30) days after the contract is submitted for review.
- 23 The action taken by the department of local government finance
- 24 on the proposed loan contract is final.
- 25 (b) A loan contract issued under this chapter is issued for essential

1 public and governmental purposes. A loan contract, the interest on the  
 2 contract, the proceeds received by a holder from the sale of a loan  
 3 contract to the extent of the holder's cost of acquisition, proceeds  
 4 received upon redemption before maturity, proceeds received at  
 5 maturity, and the receipt of the interest and proceeds are exempt from  
 6 taxation as provided in IC 6-8-5.

7 **(c) After a board enters into a loan contract, the board may use**  
 8 **funds received from state or federal grants to satisfy the repayment**  
 9 **of part or all of the loan contract."**

10 Page 3, after line 22, begin a new paragraph and insert:

11 "SECTION 4. IC 8-22-3-19 IS AMENDED TO READ AS  
 12 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 19. (a) Temporary  
 13 loans may be made by the board in anticipation of the collection of  
 14 taxes of the authority actually levied and in course of collection for the  
 15 fiscal year in which the loans are made. The loans must be authorized  
 16 by ordinance and evidenced by warrants in the form provided by the  
 17 authorizing ordinance. The warrants must state the total amount of the  
 18 issue, the denomination of the warrant, the time and place payable, the  
 19 rate of interest, the funds in anticipation of which they are issued and  
 20 out of which they are payable, and a reference to the ordinance  
 21 authorizing them and the date of its adoption. The ordinance  
 22 authorizing temporary loans must appropriate and pledge a sufficient  
 23 amount of the current revenue in anticipation of which they are issued  
 24 and out of which they are payable. The warrants evidencing the  
 25 temporary loans must be executed, sold, and delivered as are bonds of  
 26 the authority.

27 (b) The board may negotiate terms and borrow money from any  
 28 source under a loan contract, subject to the following requirements:

29 (1) The loan contract must be approved by resolution of the board.

30 (2) The loan contract must provide for the repayment of the loan  
 31 in not more than forty (40) years.

32 (3) The loan contract must state that the indebtedness is that of the  
 33 authority, is payable solely from revenues of the authority that are  
 34 derived from either airport operations or from revenue bonds, and  
 35 may not be paid by a tax levied on property located within the  
 36 district.

37 (4) The loan contract must be submitted to the department of local  
 38 government finance, which may approve, disapprove, or reduce  
 39 the amount of the proposed loan contract. The department of local  
 40 government finance must make a decision on the loan contract  
 41 within thirty (30) days after it is submitted for review. The action  
 42 taken by the department of local government finance on the  
 43 proposed loan contract is final.

44 (c) Any loan contract issued under this chapter is issued for essential  
 45 public and governmental purposes. A loan contract, the interest on it,  
 46 the proceeds received by a holder from the sale of a loan contract to the  
 47 extent of the holder's cost of acquisition, proceeds received upon

1 redemption before maturity, proceeds received at maturity, and the  
2 receipt of the interest and proceeds are exempt from taxation as  
3 provided in IC 6-8-5.

4 **(d) After the board of an authority enters into a loan contract,**  
5 **the board may use funds received from state or federal grants to**  
6 **satisfy the repayment of part or all of the loan contract."**

7 Renumber all SECTIONS consecutively.  
(Reference is to ESB 173 as printed February 24, 2012.)

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Representative Dermody