

Adopted	Rejected
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COMMITTEE REPORT

YES:	14
NO:	3

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1072, 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 3, delete lines 19 through 22, begin a new paragraph and
- 2 insert:
- 3 "**(c) For taxes due and payable for an assessment date after**
- 4 **January 15, 2012, the department may not approve an**
- 5 **appropriation or a property tax levy that is associated with a debt**
- 6 **unless the debt issuance report for the debt has been submitted to**
- 7 **the department.**".
- 8 Page 4, delete lines 10 through 13, begin a new paragraph and
- 9 insert:
- 10 "**(c) For taxes due and payable for an assessment date after**
- 11 **January 15, 2012, the department may not approve an**
- 12 **appropriation or a property tax levy that is associated with a debt**
- 13 **unless the debt issuance report for the debt has been submitted to**
- 14 **the department.**".
- 15 Page 4, between lines 35 and 36, begin a new paragraph and insert:

1 "SECTION 6. IC 5-11-1-4, AS AMENDED BY P.L.172-2011,
2 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 4. (a) The state examiner shall require from
4 every municipality and every state or local governmental unit, entity,
5 or instrumentality financial reports covering the full period of each
6 fiscal year. These reports shall be prepared, verified, and filed with the
7 state examiner not later than sixty (60) days after the close of each
8 fiscal year. ~~The reports must be filed electronically, in a manner~~
9 ~~prescribed by the state examiner that is compatible with the technology~~
10 ~~employed by the political subdivision. The reports must be in the~~
11 ~~form and content prescribed by the state examiner and filed~~
12 ~~electronically in the manner prescribed under IC 5-14-3.8-7.~~

13 (b) The department of local government finance may not approve
14 the budget of a political subdivision or a supplemental appropriation
15 for a political subdivision until the political subdivision files an annual
16 report under subsection (a) for the preceding calendar year.

17 SECTION 7. IC 5-11-13-1, AS AMENDED BY P.L.172-2011,
18 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 UPON PASSAGE]: Sec. 1. (a) Every state, county, city, town,
20 township, or school official, elective or appointive, who is the head of
21 or in charge of any office, department, board, or commission of the
22 state or of any county, city, town, or township, and every state, county,
23 city, town, or township employee or agent who is the head of, or in
24 charge of, or the executive officer of any department, bureau, board, or
25 commission of the state, county, city, town, or township, and every
26 executive officer by whatever title designated, who is in charge of any
27 state educational institution or of any other state, county, or city
28 institution, shall during the month of January of each year prepare,
29 make, and sign a ~~written or printed~~ certified report, correctly and
30 completely showing the names and business addresses of each and all
31 officers, employees, and agents in their respective offices, departments,
32 boards, commissions, and institutions, and the respective duties and
33 compensation of each, and shall forthwith file said report in the office
34 of the state examiner of the state board of accounts. **The report must**
35 **also indicate whether the political subdivision offers a health plan,**
36 **a pension, and other benefits to full-time and part-time employees.**
37 However, no more than one (1) report covering the same officers,
38 employees, and agents need be made from the state or any county, city,

1 town, township, or school unit in any one year. **The certification must**
2 **be filed electronically in the manner prescribed under**
3 **IC 5-14-3.8-7.**

4 (b) The department of local government finance may not approve
5 the budget of a county, city, town, or township or a supplemental
6 appropriation for a county, city, town, or township until the county,
7 city, town, or township files an annual report under subsection (a) for
8 the preceding calendar year.

9 SECTION 8. IC 5-14-3.8-7, AS ADDED BY P.L.172-2011,
10 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 UPON PASSAGE]: Sec. 7. The department may require that prescribed
12 forms be submitted in an electronic format. **The department, working**
13 **with the office of technology established by IC 4-13.1-2-1 or**
14 **another organization that is part of a state educational institution,**
15 **shall develop and maintain a secure, web-based system that**
16 **facilitates electronic submission of the forms under this section.**
17 **Political subdivisions shall submit forms under this section through**
18 **the web-based system as prescribed by the department.**

19 SECTION 9. IC 5-22-15-20.9, AS ADDED BY P.L.172-2011,
20 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2012]: Sec. 20.9. (a) ~~This section applies only to a contract~~
22 ~~awarded by a political subdivision.~~

23 ~~(b)~~ As used in this section, "affected county" refers to a county:
24 (1) in which the political subdivision awarding a contract under
25 this article is located; or
26 (2) that is adjacent to the county described in subdivision (1).

27 ~~(c)~~ **(b)** As used in this section, "local Indiana business" refers to any
28 of the following:

- 29 (1) A business whose principal place of business is located in an
30 affected county.
- 31 (2) A business that pays a majority of its payroll (in dollar
32 volume) to residents of affected counties.
- 33 (3) A business that employs residents of affected counties as a
34 majority of its employees.
- 35 (4) A business that makes significant capital investments in the
36 affected counties as defined in rules adopted by the political
37 subdivision.
- 38 (5) A business that has a substantial positive economic impact on

1 the affected counties as defined by criteria in rules adopted by the
2 political subdivision.

3 ~~(d)~~ **(c)** ~~There are~~ **A political subdivision may apply** the following
4 price preferences for supplies purchased from a local Indiana business:

5 (1) Five percent (5%) for a purchase expected by the purchasing
6 agency to be less than fifty thousand dollars (\$50,000).

7 (2) Three percent (3%) for a purchase expected by the purchasing
8 agency to be at least fifty thousand dollars (\$50,000) but less than
9 one hundred thousand dollars (\$100,000).

10 (3) One percent (1%) for a purchase expected by the purchasing
11 agency to be at least one hundred thousand dollars (\$100,000).

12 **However, to apply a price preference authorized by this subsection**
13 **to a purchase of supplies, the political subdivision must state in the**
14 **solicitation for supplies that the political subdivision will apply this**
15 **section.**

16 ~~(e)~~ **(d)** Notwithstanding subsection ~~(d)~~; **(c)**, a purchasing agency
17 may award a contract to the lowest responsive and responsible offeror,
18 regardless of the preference provided in this section, if the lowest
19 responsive and responsible offeror is a local Indiana business.

20 ~~(f)~~ **(e)** A business that wants to claim a preference provided under
21 this section must do all the following:

22 (1) State in the business's bid that the business claims the
23 preference provided by this section.

24 (2) Provide the following information to the purchasing agency:

25 (A) The location of the business's principal place of business.
26 If the business claims the preference as a local Indiana
27 business described in subsection ~~(e)(1)~~; **(b)(1)**, a statement
28 explaining the reasons the business considers the location
29 named as the business's principal place of business.

30 (B) The amount of the business's total payroll and the amount
31 of the business's payroll paid to residents of affected counties.

32 (C) The number of the business's employees and the number
33 of the business's employees who are residents of affected
34 counties.

35 (D) If the business claims the preference as a local Indiana
36 business described in subsection ~~(e)(4)~~; **(b)(4)**, a description
37 of the capital investments made in the affected counties and a
38 statement of the amount of those capital investments.

1 (E) If the business claims the preference as a local Indiana
 2 business described in subsection ~~(e)(5)~~, **(b)(5)**, a description
 3 of the substantial positive economic impact the business has
 4 on the affected counties.

5 SECTION 10. IC 5-28-16-3, AS ADDED BY P.L.4-2005,
 6 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 UPON PASSAGE]: Sec. 3. (a) An application requesting a grant or
 8 loan from the fund must be targeted to one (1) or more of the areas
 9 listed in section 2 of this chapter.

10 (b) A successful applicant for a grant or loan from the fund must
 11 meet the requirements of this section and be approved by the board. An
 12 application for a grant or loan from the fund must be made on an
 13 application form prescribed by the board. An applicant shall provide all
 14 information that the board finds necessary to make the determinations
 15 required by this chapter.

16 (c) All applications for a grant or loan from the fund must include
 17 the following:

18 (1) A fully elaborated technical research or business plan,
 19 whichever applies, that is appropriate for review by outside
 20 experts as provided in this chapter.

21 (2) A detailed financial analysis that includes the commitment of
 22 resources by other entities that will be involved in the project.

23 (3) A statement of the economic development potential of the
 24 project, such as:

25 (A) a statement of the way in which support from the fund will
 26 lead to significantly increased funding from federal or private
 27 sources and from private sector research partners; or

28 (B) a projection of the jobs to be created.

29 (4) The identity, qualifications, and obligations of the applicant.

30 (5) Any other information that the board considers appropriate.

31 An applicant for a grant or loan from the fund may request that certain
 32 information that is submitted by the applicant be kept confidential.

33 **However, an applicant's projection of the jobs to be created by a**
 34 **project may not be kept confidential.** The board shall make a
 35 determination of confidentiality as soon as is practicable. If the board
 36 determines that the information should not be kept confidential, the
 37 applicant may withdraw the application, and the board must return the
 38 information before making it part of any public record.

1 (d) An application for a grant or loan from the fund submitted by an
 2 academic researcher must be made through the office of the president
 3 of the researcher's academic institution with the express endorsement
 4 of the institution's president. An application for a grant or loan from the
 5 fund submitted by a private researcher must be made through the office
 6 of the highest ranking officer of the researcher's institution with the
 7 express endorsement of the institution. Any other application must be
 8 made through the office of the highest ranking officer of the entity
 9 submitting the application. In the case of an application for a grant or
 10 loan from the fund that is submitted jointly by one (1) or more
 11 researchers or entities, the application must be endorsed by each
 12 institution or entity as required by this subsection.

13 SECTION 11. IC 5-28-16-6, AS ADDED BY P.L.4-2005,
 14 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 UPON PASSAGE]: Sec. 6. The board shall submit ~~an annual~~ a report
 16 to ~~the budget committee and~~ the legislative council before ~~September~~
 17 ~~± February 1 and August 1 of each year that covers the six (6)~~
 18 **month period that ends one (1) month before the report is due.** The
 19 report must be in an electronic format under IC 5-14-6 and must
 20 contain the following information concerning fund activity in the
 21 preceding ~~state fiscal year:~~ **six (6) month period:**

- 22 (1) The name of each entity receiving a grant from the fund.
 23 (2) The location of each entity sorted by:
 24 (A) county, in the case of an entity located in Indiana; or
 25 (B) state, in the case of an entity located outside Indiana.
 26 (3) The amount of each grant awarded to each entity.
 27 **(4) The projection of the number of jobs to be created by the**
 28 **entity's project.**

29 SECTION 12. IC 5-28-28-2, AS ADDED BY P.L.222-2007,
 30 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 UPON PASSAGE]: Sec. 2. As used in this chapter, "grant" refers to a
 32 grant given by the corporation, **including a grant from the Indiana**
 33 **twenty-first century research and technology fund.**

34 SECTION 13. IC 5-28-28-3, AS ADDED BY P.L.222-2007,
 35 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 3. As used in this chapter, "loan":

- 37 (1) refers to a loan made by the corporation, regardless of whether
 38 the loan is forgivable; ~~and~~

- 1 (2) includes a loan guarantee made by the corporation; **and**
 2 **(3) includes a loan from the Indiana twenty-first century**
 3 **research and technology fund.**

4 SECTION 14. IC 5-28-28-5, AS ADDED BY P.L.222-2007,
 5 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 UPON PASSAGE]: Sec. 5. (a) Beginning February 1, 2008, the
 7 corporation shall:

- 8 (1) submit an economic incentives and compliance report to:
 9 (A) the governor; ~~and~~
 10 **(B) the budget committee; and**
 11 ~~(B)~~ **(C) the legislative council in an electronic format under**
 12 **IC 5-14-6; and**

- 13 (2) publish the report on the corporation's Internet web site;
 14 on the schedule specified in subsection (b).

15 (b) ~~Before August 2, 2009,~~ The corporation shall submit and publish
 16 before February 1 and August 1 of each year an incentives and
 17 compliance report that covers the six (6) month period that ends one
 18 (1) month before the report is due. ~~After August 1, 2009, the~~
 19 ~~corporation shall submit and publish before August 1 of each year an~~
 20 ~~incentives and compliance report that covers the twelve (12) month~~
 21 ~~period that ends one (1) month before the report is due."~~

22 Page 5, delete lines 8 through 42.

23 Page 6, delete lines 1 through 12.

24 Page 16, line 23, after "subdivision" insert "**or appropriate fiscal**
 25 **body, if the political subdivision is subject to section 20 of this**
 26 **chapter,"**.

27 Page 16, line 29, reset in roman "political subdivision".

28 Page 16, line 29, before "appropriate" insert "**or**".

29 Page 16, line 30, after "at which the" insert "**political subdivision**
 30 **or appropriate**".

31 Page 16, line 31, before "appropriate" insert "**political subdivision**
 32 **or**".

33 Page 22, delete lines 21 through 42, begin a new paragraph and
 34 insert:

35 "SECTION 18. IC 6-1.1-17-20, AS AMENDED BY P.L.113-2010,
 36 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2012]: Sec. 20. (a) This section applies to each governing
 38 body of a taxing unit that

1 ~~(1)~~ is not comprised of a majority of officials who are elected to
 2 serve on the governing body. ~~and~~

3 ~~(2)~~ either:

4 (A) is:

5 (i) a conservancy district subject to IC ~~14-33-9~~;

6 (ii) a solid waste management district subject to IC ~~13-21~~;

7 or

8 (iii) a fire protection district subject to IC ~~36-8-11-18~~; or

9 ~~(B)~~ has a percentage increase in the proposed budget for the
 10 taxing unit for the ensuing calendar year that is more than the
 11 result of:

12 (i) the assessed value growth quotient determined under
 13 IC ~~6-1.1-18.5-2~~ for the ensuing calendar year; minus

14 (ii) ~~one (1)~~.

15 For purposes of this section, an individual who qualifies to be
 16 appointed to a governing body or serves on a governing body because
 17 of the individual's status as an elected official of another taxing unit
 18 shall be treated as an official who was not elected to serve on the
 19 governing body.

20 (b) As used in this section, "taxing unit" has the meaning set forth
 21 in IC ~~6-1.1-1-21~~, except that the term does not include:

22 ~~(1) a school corporation; or~~

23 **(1) a public library whose levies are subject to review and**
 24 **modification under section 20.3 of this chapter; or**

25 (2) an entity whose tax levies are subject to review and
 26 modification by a city-county legislative body under IC ~~36-3-6-9~~.

27 (c) If:

28 (1) the assessed valuation of a taxing unit is entirely contained
 29 within a city or town; or

30 (2) the assessed valuation of a taxing unit is not entirely contained
 31 within a city or town but the taxing unit was originally established
 32 by the city or town;

33 the governing body shall submit its proposed budget and property tax
 34 levy to the city or town fiscal body. The proposed budget and levy shall
 35 be submitted at least ~~thirty (30)~~ days before the city or town fiscal body
 36 is required to hold budget approval hearings under this chapter.
 37 However, in the case of a public library that is subject to this section
 38 and is described in subdivision ~~(2)~~, the public library shall submit its

1 proposed budget and property tax levy to the county fiscal body in the
 2 manner provided in subsection (d); rather than to the city or town fiscal
 3 body; if more than fifty percent (50%) of the parcels of real property
 4 within the jurisdiction of the public library are located outside the city
 5 or town: **to the city or town fiscal body in the manner prescribed by**
 6 **the department of local government finance before September 2 of**
 7 **a year.**

8 (d) If subsection (c) does not apply, the governing body of the taxing
 9 unit shall submit its proposed budget and property tax levy to the
 10 county fiscal body in the county where the taxing unit has the most
 11 assessed valuation. The proposed budget and levy shall be submitted
 12 at least thirty (30) days before the county fiscal body is required to hold
 13 budget approval hearings under this chapter: **to the county fiscal body**
 14 **in the manner prescribed by the department of local government**
 15 **finance before September 2 of a year.**

16 (e) The fiscal body of the city, town, or county (whichever applies)
 17 shall review each budget and proposed tax levy and adopt a final
 18 budget and tax levy for the taxing unit. The fiscal body may reduce or
 19 modify but not increase the proposed budget or tax levy.

20 (f) If a taxing unit fails to file the information required in subsection
 21 (c) or (d), whichever applies, with the appropriate fiscal body by the
 22 time prescribed by this section, the most recent annual appropriations
 23 and annual tax levy of that taxing unit are continued for the ensuing
 24 budget year.

25 (g) If the appropriate fiscal body fails to complete the requirements
 26 of subsection (e) before the adoption deadline in section 5 of this
 27 chapter for any taxing unit subject to this section, the most recent
 28 annual appropriations and annual tax levy of the city, town, or county,
 29 whichever applies, are continued for the ensuing budget year.

30 SECTION 19. IC 6-1.1-17-20.3 IS ADDED TO THE INDIANA
 31 CODE AS A NEW SECTION TO READ AS FOLLOWS
 32 [EFFECTIVE JULY 1, 2012]: **Sec. 20.3. (a) This section applies to**
 33 **each governing body of a public library that:**

34 **(1) is not comprised of a majority of officials who are elected**
 35 **to serve on the governing body; and**

36 **(2) has a percentage increase in the proposed budget for the**
 37 **taxing unit for the ensuing calendar year that is more than the**
 38 **result of:**

- 1 (A) the assessed value growth quotient determined under
- 2 IC 6-1.1-18.5-2 for the ensuing calendar year; minus
- 3 (B) one (1).

4 **For purposes of this section, an individual who qualifies to be**
 5 **appointed to a governing body or serves on a governing body**
 6 **because of the individual's status as an elected official of another**
 7 **taxing unit shall be treated as an official who was not elected to**
 8 **serve on the governing body.**

9 **(b) This section does not apply to:**

- 10 **(1) a school corporation;**
- 11 **(2) an entity whose tax levies are subject to review and**
 12 **modification by a fiscal body under section 20 of this chapter;**
 13 **or**
- 14 **(3) an entity whose tax levies are subject to review and**
 15 **modification by a city-county legislative body under**
 16 **IC 36-3-6-9.**

17 **(c) If:**

- 18 **(1) the assessed valuation of a public library is entirely**
 19 **contained within a city or town; or**
- 20 **(2) the assessed valuation of a public library is not entirely**
 21 **contained within a city or town but the public library was**
 22 **originally established by the city or town;**

23 **the governing body shall submit its proposed budget and property**
 24 **tax levy to the city or town fiscal body. The proposed budget and**
 25 **levy shall be submitted at least thirty (30) days before the city or**
 26 **town fiscal body is required to hold budget approval hearings**
 27 **under this chapter. However, the governing body shall submit its**
 28 **proposed budget and property tax levy to the county fiscal body in**
 29 **the manner provided in subsection (d), rather than to the city or**
 30 **town fiscal body, if more than fifty percent (50%) of the parcels of**
 31 **real property within the jurisdiction of the public library are**
 32 **located outside the city or town.**

33 **(d) If subsection (c) does not apply, the governing body of the**
 34 **public library shall submit its proposed budget and property tax**
 35 **levy to the county fiscal body in the county where the public**
 36 **library has the most assessed valuation. The proposed budget and**
 37 **levy shall be submitted at least thirty (30) days before the county**
 38 **fiscal body is required to hold budget approval hearings under this**

1 chapter.

2 (e) The fiscal body of the city, town, or county (whichever
3 applies) shall review each budget and proposed tax levy and adopt
4 a final budget and tax levy for the public library. The fiscal body
5 may reduce or modify but not increase the proposed budget or tax
6 levy.

7 (f) If a public library fails to file the information required in
8 subsection (c) or (d), whichever applies, with the appropriate fiscal
9 body by the time prescribed by this section, the most recent annual
10 appropriations and annual tax levy of that public library are
11 continued for the ensuing budget year.

12 (g) If the appropriate fiscal body fails to complete the
13 requirements of subsection (e) before the adoption deadline in
14 section 5 of this chapter for any public library subject to this
15 section, the most recent annual appropriations and annual tax levy
16 of the city, town, or county, whichever applies, are continued for
17 the ensuing budget year."

18 Delete page 23.

19 Page 24, delete lines 1 through 5.

20 Page 25, line 36, after "The" insert "**following**".

21 Page 25, line 36, after "definitions" delete "in".

22 Page 25, line 36, strike "this".

23 Page 25, line 36, delete "subsection".

24 Page 37, between lines 34 and 35, begin a new paragraph and insert:

25 "SECTION 31. IC 6-3-2-2.1 IS ADDED TO THE INDIANA CODE
26 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
27 JANUARY 1, 2012 (RETROACTIVE)]: **Sec. 2.1. (a) This section**
28 **applies only to a covered taxpayer that has receipts attributable to**
29 **Indiana under both subsections (c) and (d).**

30 (b) As used in this section, "covered taxpayer" refers to the
31 following:

32 (1) Designated contract markets, swap execution facilities, or
33 derivatives clearing organizations primarily regulated by the
34 United States Commodity Futures Trading Commission.

35 (2) Securities exchanges and securities clearing agencies
36 primarily regulated by the United States Securities and
37 Exchange Commission.

38 For purposes of this section, a designated contract market, swap

1 execution facility, or derivatives clearing organization is
 2 considered to be primarily regulated by the United States
 3 Commodity Futures Trading Commission if more than fifty
 4 percent (50%) of the enterprise's total gross receipts are
 5 attributable to activities subject to regulation by the United States
 6 Commodity Futures Trading Commission or the United States
 7 securities exchanges.

8 (c) Notwithstanding section 2 of this chapter or any other law,
 9 receipts received by a covered taxpayer, in respect of trade
 10 execution (electronic or otherwise) and clearing, are in Indiana as
 11 follows:

12 (1) If the receipts are attributable to transactions executed on
 13 a physical trading floor located in Indiana, one hundred
 14 percent (100%) of the receipts are attributable to Indiana.

15 (2) If the receipts are attributable to transactions executed by
 16 means of an electronic transaction system, the receipts are
 17 attributable to Indiana based on a percentage determined by
 18 dividing the total Indiana population by the total United
 19 States population.

20 (3) If the receipts are attributable to the clearing of
 21 over-the-counter transactions, the receipts are attributable to
 22 Indiana based on a percentage determined by dividing the
 23 total Indiana population by the total United States population.

24 (d) Notwithstanding section 2 of this chapter or any other law,
 25 market data service revenue is sourced based on the billing address
 26 of a covered taxpayer's direct customers or the user location of
 27 direct customers and location of the customers of the covered
 28 taxpayer's distributors."

29 Page 38, line 36, delete "." and insert "**or in an electronic format**
 30 **approved by the director of the budget agency.**".

31 Page 46, line 38, delete "." and insert "**or in an electronic format**
 32 **approved by the director of the budget agency.**".

33 Page 47, line 18, delete "." and insert "**or in an electronic format**
 34 **approved by the director of the budget agency.**".

35 Page 50, line 19, delete "." and insert "**or in an electronic format**
 36 **approved by the director of the budget agency.**".

37 Page 52, line 37, delete "." and insert "**or in an electronic format**
 38 **approved by the director of the budget agency.**".

- 1 Page 57, line 38, delete "." and insert **"or in an electronic format**
- 2 **approved by the director of the budget agency."**
- 3 Page 60, line 2, delete "." and insert **"or in an electronic format**
- 4 **approved by the director of the budget agency."**
- 5 Page 66, line 9, delete "." and insert **"or in an electronic format**
- 6 **approved by the director of the budget agency."**
- 7 Page 66, line 29, delete "." and insert **"or in an electronic format**
- 8 **approved by the director of the budget agency."**
- 9 Page 67, line 17, delete "." and insert **"or in an electronic format**
- 10 **approved by the director of the budget agency."**
- 11 Page 67, line 40, delete "." and insert **"or in an electronic format**
- 12 **approved by the director of the budget agency."**
- 13 Page 68, line 20, delete ".".
- 14 Page 68, line 21, after "adopted." insert **"or in an electronic format**
- 15 **approved by the director of the budget agency."**
- 16 Page 72, line 14, after "mail" delete "." and insert **"or in an**
- 17 **electronic format approved by the director of the budget agency."**
- 18 Page 73, line 40, after "mail" delete "." and insert **"or in an**
- 19 **electronic format approved by the director of the budget agency."**
- 20 Page 74, line 37, delete "." and insert **"or in an electronic format**
- 21 **approved by the director of the budget agency."**
- 22 Page 80, line 12, delete "." and insert **"or in an electronic format**
- 23 **approved by the director of the budget agency."**
- 24 Page 82, line 22, delete "." and insert **"or in an electronic format**
- 25 **approved by the director of the budget agency."**
- 26 Page 86, line 21, after "mail" delete "." and insert **"or in an**
- 27 **electronic format approved by the director of the budget agency."**
- 28 Page 89, line 9, delete "." and insert **"or in an electronic format**
- 29 **approved by the director of the budget agency."**
- 30 Page 93, line 41, delete "." and insert **"or in an electronic format**
- 31 **approved by the director of the budget agency."**
- 32 Page 94, line 12, delete "." and insert **"or in an electronic format**
- 33 **approved by the director of the budget agency."**
- 34 Page 119, line 13, delete "." and insert **"or in an electronic format**
- 35 **approved by the director of the budget agency."**
- 36 Page 122, between lines 9 and 10, begin a new paragraph and insert:
- 37 "SECTION 86. IC 36-1-12-4, AS AMENDED BY P.L.139-2011,

1 SECTION 6, AND AS AMENDED BY P.L.172-2011, SECTION 139,
2 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2012]: Sec. 4. (a) This section applies whenever
4 the cost of a public work project will be:

5 *(1) at least seventy-five thousand dollars (\$75,000) in:*

6 *(A) a consolidated city or second class city;*

7 *(B) a county containing a consolidated city or second class*
8 *city; or*

9 *(C) a regional water or sewage district established under*
10 *IC 13-26; or*

11 *(2) at least fifty thousand dollars (\$50,000) in a political*
12 *subdivision or an agency not described in subdivision (1):*

13 *(1) except as provided in subdivision (2), at least one hundred*
14 *fifty thousand dollars (\$150,000); or*

15 *(2) in the case of a board of aviation commissioners or an airport*
16 *authority board, at least one hundred thousand dollars*
17 *(\$100,000).*

18 (b) The board must comply with the following procedure:

19 (1) The board shall prepare general plans and specifications
20 describing the kind of public work required, but shall avoid
21 specifications which might unduly limit competition. If the
22 project involves the resurfacing (as defined by IC 8-14-2-1) of a
23 road, street, or bridge, the specifications must show how the
24 weight or volume of the materials will be accurately measured
25 and verified.

26 (2) The board shall file the plans and specifications in a place
27 reasonably accessible to the public, which shall be specified in the
28 notice required by subdivision (3).

29 (3) Upon the filing of the plans and specifications, the board shall
30 publish notice in accordance with IC 5-3-1 calling for sealed
31 proposals for the public work needed.

32 (4) The notice must specify the place where the plans and
33 specifications are on file and the date fixed for receiving bids.

34 (5) The period of time between the date of the first publication
35 and the date of receiving bids shall be governed by the size of the
36 contemplated project in the discretion of the board. The period of
37 time between the date of the first publication and receiving bids
38 may not be more than:

- 1 (A) six (6) weeks if the estimated cost of the public works
- 2 project is less than twenty-five million dollars (\$25,000,000);
- 3 and
- 4 (B) ten (10) weeks if the estimated cost of the public works
- 5 project is at least twenty-five million dollars (\$25,000,000).
- 6 ~~(6) If the cost of a project is one hundred thousand dollars~~
- 7 ~~(\$100,000) or more;~~ The board shall require the bidder to submit
- 8 a financial statement, a statement of experience, a proposed plan
- 9 or plans for performing the public work, and the equipment that
- 10 the bidder has available for the performance of the public work.
- 11 The statement shall be submitted on forms prescribed by the state
- 12 board of accounts.
- 13 (7) The board may not require a bidder to submit a bid before the
- 14 meeting at which bids are to be received. The meeting for
- 15 receiving bids must be open to the public. All bids received shall
- 16 be opened publicly and read aloud at the time and place
- 17 designated and not before. *Notwithstanding any other law, bids*
- 18 *may be opened after the time designated if both of the following*
- 19 *apply:*
- 20 (A) *The board makes a written determination that it is in the*
- 21 *best interest of the board to delay the opening.*
- 22 (B) *The day, time, and place of the rescheduled opening are*
- 23 *announced at the day, time, and place of the originally*
- 24 *scheduled opening.*
- 25 (8) Except as provided in subsection (c), ~~or (after June 30, 2011)~~
- 26 ~~section 22 of this chapter,~~ the board shall:
- 27 (A) award the contract for public work or improvements to the
- 28 lowest responsible and responsive bidder; or
- 29 (B) reject all bids submitted.
- 30 (9) If the board awards the contract to a bidder other than the
- 31 lowest bidder, the board must state in the minutes or memoranda,
- 32 at the time the award is made, the factors used to determine which
- 33 bidder is the lowest responsible and responsive bidder and to
- 34 justify the award. The board shall keep a copy of the minutes or
- 35 memoranda available for public inspection.
- 36 (10) In determining whether a bidder is responsive, the board may
- 37 consider the following factors:
- 38 (A) Whether the bidder has submitted a bid or quote that

- 1 conforms in all material respects to the specifications.
- 2 (B) Whether the bidder has submitted a bid that complies
- 3 specifically with the invitation to bid and the instructions to
- 4 bidders.
- 5 (C) Whether the bidder has complied with all applicable
- 6 statutes, ordinances, resolutions, or rules pertaining to the
- 7 award of a public contract.
- 8 (11) In determining whether a bidder is a responsible bidder, the
- 9 board may consider the following factors:
 - 10 (A) The ability and capacity of the bidder to perform the work.
 - 11 (B) The integrity, character, and reputation of the bidder.
 - 12 (C) The competence and experience of the bidder.
- 13 (12) The board shall require the bidder to submit an affidavit:
 - 14 (A) that the bidder has not entered into a combination or
 - 15 agreement:
 - 16 (i) relative to the price to be bid by a person;
 - 17 (ii) to prevent a person from bidding; or
 - 18 (iii) to induce a person to refrain from bidding; and
 - 19 (B) that the bidder's bid is made without reference to any other
 - 20 bid.
- 21 (c) Notwithstanding subsection (b)(8), a county may award sand,
- 22 gravel, asphalt paving materials, or crushed stone contracts to more
- 23 than one (1) responsible and responsive bidder if the specifications
- 24 allow for bids to be based upon service to specific geographic areas and
- 25 the contracts are awarded by geographic area. The geographic areas do
- 26 not need to be described in the specifications.
- 27 SECTION 87. IC 36-1-12-4.7, AS AMENDED BY P.L.172-2011,
- 28 SECTION 140, IS AMENDED TO READ AS FOLLOWS
- 29 [EFFECTIVE JULY 1, 2012]: Sec. 4.7. (a) This section applies
- 30 whenever a public work project is estimated to cost:
 - 31 (1) except as provided in subdivision (2), at least fifty thousand
 - 32 dollars (\$50,000) and less than one hundred fifty thousand dollars
 - 33 (\$150,000); or
 - 34 (2) in the case of a board of aviation commissioners or an airport
 - 35 authority board, at least fifty thousand dollars (\$50,000) and less
 - 36 than one hundred thousand dollars (\$100,000).
- 37 (b) The board must proceed under the following provisions:
 - 38 (1) The board shall invite quotes from at least three (3) persons

1 known to deal in the class of work proposed to be done by mailing
2 them a notice stating that plans and specifications are on file in a
3 specified office. The notice must be mailed not less than seven (7)
4 days before the time fixed for receiving quotes.

5 (2) The board may not require a person to submit a quote before
6 the meeting at which quotes are to be received. The meeting for
7 receiving quotes must be open to the public. All quotes received
8 shall be opened publicly and read aloud at the time and place
9 designated and not before.

10 (3) ~~Except as permitted in section 22 of this chapter after June 30,~~
11 ~~2011,~~ The board shall award the contract for the public work to
12 the lowest responsible and responsive quoter.

13 (4) The board may reject all quotes submitted.

14 SECTION 88. IC 36-1-12-5, AS AMENDED BY P.L.172-2011,
15 SECTION 141, IS AMENDED TO READ AS FOLLOWS
16 [EFFECTIVE JULY 1, 2012]: Sec. 5. (a) This section applies whenever
17 a public work project is estimated to cost less than fifty thousand
18 dollars (\$50,000). Except as provided in subsection (g) for local boards
19 of aviation commissioners and local airport authorities, if a contract is
20 to be awarded, the board may proceed under section 4 of this chapter
21 or under subsection (b) or (c).

22 (b) The board must proceed under the following provisions:

23 (1) The board shall invite quotes from at least three (3) persons
24 known to deal in the class of work proposed to be done by mailing
25 them a notice stating that plans and specifications are on file in a
26 specified office. The notice must be mailed not less than seven (7)
27 days before the time fixed for receiving quotes.

28 (2) The board may not require a person to submit a quote before
29 the meeting at which quotes are to be received. The meeting for
30 receiving quotes must be open to the public. All quotes received
31 shall be opened publicly and read aloud at the time and place
32 designated and not before.

33 (3) ~~Except as permitted in section 22 of this chapter,~~ The board
34 shall award the contract for the public work to the lowest
35 responsible and responsive quoter.

36 (4) The board may reject all quotes submitted.

37 (5) If the board rejects all quotes under subdivision (4), the board
38 may negotiate and enter into agreements for the work in the open

1 market without inviting or receiving quotes if the board
2 establishes in writing the reasons for rejecting the quotes.

3 (c) The board may not proceed under subsection (b) for the
4 resurfacing (as defined in IC 8-14-2-1) of a road, street, or bridge,
5 unless:

6 (1) the weight or volume of the materials in the project is capable
7 of accurate measurement and verification; and

8 (2) the specifications define the geographic points at which the
9 project begins and ends.

10 (d) For the purposes of this section, if contiguous sections of a road,
11 street, or bridge are to be resurfaced in a calendar year, all of the work
12 shall be considered to comprise a single public work project.

13 (e) The board may purchase or lease supplies in the manner
14 provided in IC 5-22 and perform the public work by means of its own
15 workforce without awarding a public work contract.

16 (f) Before the board may perform any work under this section by
17 means of its own workforce, the political subdivision or agency must
18 have a group of employees on its staff who are capable of performing
19 the construction, maintenance, and repair applicable to that work.

20 (g) This subsection applies to local boards of aviation
21 commissioners operating under IC 8-22-2 and local airport authorities
22 operating under IC 8-22-3. If the contract is to be awarded by a board
23 to which this subsection applies, or to a designee of the board under
24 subsection (h), the board or its designee may proceed under section 4
25 of this chapter or under the following provisions. The board or its
26 designee may invite quotes from at least three (3) persons known to
27 deal in the class of work proposed to be done by mailing the persons a
28 copy of the plans and specifications for the work not less than seven (7)
29 days before the time fixed for receiving quotes. If the board or its
30 designee receives a satisfactory quote, the board or its designee shall
31 award the contract to the lowest responsible and responsive quoter for
32 the class of work required. ~~except as permitted in section 22 of this~~
33 ~~chapter.~~ The board or its designee may reject all quotes submitted and,
34 if no valid quotes are received for the class of work, contract for the
35 work without further invitations for quotes.

36 (h) The board may delegate its authority to award a contract for a
37 public works project that is estimated to cost less than fifty thousand
38 dollars (\$50,000) to the airport personnel in charge of airport public

1 works projects.

2 (i) Quotes for public works projects costing less than twenty-five
3 thousand dollars (\$25,000) may be obtained by soliciting at least three
4 (3) quotes by telephone or facsimile transmission. The seven (7) day
5 waiting period required by subsection (b)(1) does not apply to quotes
6 solicited under this subsection.

7 SECTION 89. IC 36-1-12-22 IS REPEALED [EFFECTIVE JULY
8 1, 2012]. Sec. 22: (a) The definitions in IC 5-22-15, including the
9 definitions in IC 5-22-15-20.9, apply in this section.

10 (b) The procedures described in IC 5-22-15 for determining adjusted
11 offers, price preference percentage, and total adjusted offers apply in
12 this section.

13 (c) The price preferences stated in IC 5-22-15-20.9 apply in this
14 section.

15 (d) Notwithstanding provisions of this chapter that require the award
16 of a contract to the lowest responsive and responsible bidder or the
17 lowest responsive and responsible quoter, but subject to subsection (e),
18 a contract shall be awarded to the lowest responsive and responsible
19 local Indiana business that claims the preference provided by this
20 section.

21 (e) Notwithstanding subsection (d), a contract shall be awarded to
22 the lowest responsive and responsible bidder or quoter, regardless of
23 the preference provided in this section, if the lowest responsive and
24 responsible bidder or quoter is a local Indiana business.

25 (f) A bidder or quoter that wants to claim the preference under this
26 section must claim the preference in the same manner that a business
27 claims the preference under IC 5-22-15-20.9(f):".

28 Page 122, line 24, delete "15" and insert "16".

29 Renumber all SECTIONS consecutively.

(Reference is to HB 1072 as introduced.)

and when so amended that said bill do pass.

Representative Espich