

SENATE BILL No. 219

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-23-29.

Synopsis: Highway revolving loan fund. Establishes the highway revolving loan fund to provide loans to counties and municipalities for certain construction projects. Provides that the Indiana department of transportation shall administer the fund. Appropriates \$1.5 million to the fund.

Effective: July 1, 2012.

Skinner

January 4, 2012, read first time and referred to Committee on Appropriations.

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Second Regular Session 117th General Assembly (2012)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2011 Regular Session of the General Assembly.

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SENATE BILL No. 219



A BILL FOR AN ACT to amend the Indiana Code concerning transportation and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 8-23-29 IS ADDED TO THE INDIANA CODE AS
- 2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2012]:
- 4 **Chapter 29. Highway Revolving Loan Fund**
- 5 **Sec. 1. As used in this chapter, "fund" refers to the highway**
- 6 **revolving loan fund established under section 4 of this chapter.**
- 7 **Sec. 2. As used in this chapter, "project" means an undertaking**
- 8 **for the construction of a bridge, culvert, highway, road, or street.**
- 9 **Sec. 3. As used in this chapter, "unit" means a county or**
- 10 **municipality.**
- 11 **Sec. 4. (a) The highway revolving loan fund is established to**
- 12 **provide low interest loans to units for eligible projects. The**
- 13 **department shall administer the fund.**
- 14 **(b) The fund consists of the following:**
- 15 **(1) Appropriations made by the general assembly.**
- 16 **(2) Grants, gifts, and donations intended for deposit in the**
- 17 **fund.**



1 (3) Repayments of loans and other financial assistance,
2 including premiums, interest, and penalties.

3 (4) Money from any other source deposited in the fund.

4 (c) The expenses of administering the fund shall be paid from
5 money in the fund.

6 (d) The treasurer of state shall invest the money in the fund not
7 currently needed to meet the obligations of the fund in the same
8 manner as other public funds may be invested. The treasurer of
9 state shall deposit interest that accrues from these investments in
10 the fund.

11 (e) Money in the fund at the end of a state fiscal year does not
12 revert to the state general fund.

13 Sec. 5. (a) A unit may apply to the department for a loan from
14 the fund.

15 (b) The department shall prescribe the form and manner of the
16 loan application, which must include the following:

17 (1) A request for the loan in the form of a resolution adopted
18 by the applicant's fiscal body.

19 (2) A plan for repayment.

20 (3) A description and an estimate of the cost of the project for
21 which the applicant seeks the loan.

22 Sec. 6. (a) The department may make a loan from the fund to a
23 unit for the cost of an eligible project. In determining the eligibility
24 of a project for a loan, the department shall consider the following:

25 (1) The need for the project.

26 (2) The anticipated duration of the project and the effect of
27 the project on the local economy.

28 (3) The impact of the project on the unit and the state
29 highway system, if any.

30 (4) Any other factors the department considers necessary.

31 (b) The department shall establish procedures for making loans
32 under this section.

33 Sec. 7. The department shall determine the terms of each loan
34 made under section 6 of this chapter, which must include the
35 following:

36 (1) The duration of the loan, which may not exceed
37 twenty-five (25) years.

38 (2) The repayment schedule of the loan.

39 (3) The interest rate of the loan, which may not exceed two
40 percent (2%).

41 (4) The amount of the loan.

42 (5) Any other conditions specified by the department.

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1 **Sec. 8. The department, without complying with IC 4-22-2, may**
2 **adopt guidelines to govern the administration of this chapter.**

3 **Sec. 9. (a) For the fiscal year beginning July 1, 2012, and ending**
4 **June 30, 2013, there is appropriated to the department one million**
5 **five hundred thousand dollars (\$1,500,000) from the state general**
6 **fund for deposit in the fund to carry out the purposes of this**
7 **chapter.**

8 **(b) This section expires December 31, 2013.**

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