

HOUSE BILL No. 1039

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-14-1-5; IC 8-14-2.

Synopsis: Uses of local road funds. Provides that money distributed from the motor vehicle highway account and the local road and street account to cities and towns may be used for the same purposes.

Effective: Upon passage.

Cherry

January 9, 2012, read first time and referred to Committee on Ways and Means.

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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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HOUSE BILL No. 1039



A BILL FOR AN ACT to amend the Indiana Code concerning transportation.

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

1 SECTION 1. IC 8-14-1-5 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) All funds allocated to
3 cities and towns from the motor vehicle highway account shall be used
4 by the cities and towns for the construction, reconstruction, repair,
5 maintenance, oiling, sprinkling, snow removal, weed and tree cutting,
6 and cleaning of their highways as herein defined, and including also
7 any curbs, and the city's or town's share of the cost of the separation of
8 the grades of crossing of public highways and railroads, the purchase
9 or lease of highway construction and maintenance equipment, the
10 purchase, erection, operation and maintenance of traffic signs and
11 signals, and safety zones and devices; and the painting of structures,
12 objects, surfaces in highways for purposes of safety and traffic
13 regulation. All of such funds shall be budgeted as provided by law.
14 (b) In addition to purposes for which funds may be expended under
15 ~~subsections subsection (a), and (c) of this section~~, monies allocated to
16 cities and towns under this chapter may be expended for **the following**
17 **purposes:**



1 (1) Law enforcement purposes, subject to the following
 2 limitations:
 3 (1) (A) For cities and towns with a population of less than five
 4 thousand (5,000), no more than fifteen percent (15%) may be
 5 spent for law enforcement purposes.
 6 (2) (B) For cities and towns other than those specified in
 7 subdivision (1) of this subsection, clause (A), no more than
 8 ten percent (10%) may be spent for law enforcement purposes.
 9 (2) **The payment of principal and interest on bonds sold**
 10 **primarily to finance road, street, or thoroughfare projects.**
 11 (3) **Any purpose for which monies may be used under**
 12 **IC 8-14-2.**
 13 (c) ~~In addition to purposes for which funds may be expended under~~
 14 ~~subsections (a) and (b) of this section; monies allocated to cities and~~
 15 ~~towns under this chapter may be expended for the payment of principal~~
 16 ~~and interest on bonds sold primarily to finance road, street, or~~
 17 ~~thoroughfare projects.~~
 18 SECTION 2. IC 8-14-2-5 IS AMENDED TO READ AS FOLLOWS
 19 [EFFECTIVE UPON PASSAGE]: Sec. 5. **Except as provided in**
 20 **section 5.5 of this chapter**, money from the local road and street
 21 account shall be used exclusively by the cities, towns, and counties for:
 22 (1) engineering, land acquisition, construction, resurfacing,
 23 maintenance, restoration, or rehabilitation of both local and
 24 arterial road and street systems;
 25 (2) the payment of principal and interest on bonds sold primarily
 26 to finance road, street, or thoroughfare projects;
 27 (3) any local costs required to undertake a recreational or
 28 reservoir road project under IC 8-23-5; or
 29 (4) the purchase, rental, or repair of highway equipment.
 30 SECTION 3. IC 8-14-2-5.5 IS ADDED TO THE INDIANA CODE
 31 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
 32 UPON PASSAGE]: **Sec. 5.5. In addition to the purposes described**
 33 **in section 5 of this chapter, money from the local road and street**
 34 **account allocated to cities and towns may be used for any purpose**
 35 **for which money may be used under IC 8-14-1.**
 36 SECTION 4. **An emergency is declared for this act.**

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