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# HOUSE BILL No. 1356

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 8-23; IC 36-9-3-13.

**Synopsis:** Transportation funding pilot programs. Authorizes the department of transportation (INDOT) and the board of a regional transportation authority to develop a pilot program to explore alternative highway funding methods. Provides that money in the state highway fund may be used to pay for the pilot program.

**Effective:** July 1, 2012.

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January 11, 2012, read first time and referred to Committee on Roads and Transportation.

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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. 1356



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 8-23-9-55 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 55. Money in the state  
3 highway fund shall be used for the following:

4 (1) Operation of the department, **including the development and**  
5 **implementation of a highway funding pilot program under**  
6 **IC 8-23-29.**

7 (2) Construction, reconstruction, operation, maintenance, and  
8 control of the state highways that are the responsibility of the  
9 department and of tollways that are the responsibility of the  
10 department under IC 8-15-3.

11 SECTION 2. IC 8-23-29 IS ADDED TO THE INDIANA CODE AS  
12 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
13 1, 2012]:

14 **Chapter 29. Alternative Highway Funding Pilot Program**

15 **Sec. 1. The department may develop one (1) or more pilot**  
16 **programs to explore alternatives to the motor fuel tax for funding**  
17 **the state highway system. A pilot program may include a program**



1 that tests technology and methods for:

- 2 (1) identifying motor vehicles;  
 3 (2) collecting and reporting the number of miles traveled by  
 4 a particular vehicle; and  
 5 (3) receiving payments from participants in the pilot program.

6 Sec. 2. The department shall evaluate the technology and  
 7 methods used in a pilot program under this chapter for the  
 8 following:

- 9 (1) Reliability.  
 10 (2) Ease of use.  
 11 (3) Public perception.  
 12 (4) Cost of implementation and administration.  
 13 (5) Potential for evasion or avoidance of accurate reporting.

14 Sec. 3. (a) The department may solicit volunteers to participate  
 15 in a pilot program under this chapter. A participant must agree to:

- 16 (1) report the participant's use of the state highway system as  
 17 required by the department;  
 18 (2) pay any fees established under the program; and  
 19 (3) display on or in the participant's vehicle a decal or other  
 20 identifying marker required under the program.

21 (b) The department may compensate a participant.

22 Sec. 4. (a) The department shall establish and impose fees for  
 23 each pilot program the department develops under this chapter.

24 (b) A fee established under subsection (a) must be:

- 25 (1) collected from each participant in a pilot program; and  
 26 (2) based on each participant's use of the state highway  
 27 system.

28 (c) A fee established and collected under this section is in lieu of  
 29 any motor fuel tax otherwise imposed on and paid by a participant  
 30 under IC 6-6.

31 (d) The department, in conjunction with the department of state  
 32 revenue, shall establish a procedure by which a participant that  
 33 pays the motor fuel tax while participating in a pilot program  
 34 under this chapter may apply to the department of state revenue  
 35 for a refund equal to the amount of motor fuel tax actually paid by  
 36 the participant.

37 Sec. 5. (a) The department shall issue a decal or other  
 38 identifying marker for each motor vehicle registered under IC 9-18  
 39 to a participant in a pilot program under this chapter. The  
 40 participant shall display the decal or other identifying marker on  
 41 each motor vehicle registered under IC 9-18 to the participant  
 42 while participating in a pilot program.

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1 (b) A participant shall return the decal or other identifying  
2 marker to the department when the participant ceases to  
3 participate in the pilot program.

4 Sec. 6. (a) The department may terminate:

- 5 (1) a pilot program; or
  - 6 (2) a participant's participation in a pilot program;
- 7 under this chapter at any time and without notice.

8 (b) Upon the termination of a pilot program or a participant's  
9 participation in a pilot program under this chapter, the  
10 department shall collect any fees imposed under section 4 of this  
11 chapter on:

- 12 (1) participants in the terminated pilot program; or
  - 13 (2) the participant whose participation in the pilot program  
14 has been terminated;
- 15 that remain outstanding on the date of termination.

16 Sec. 7. The department may adopt rules under IC 4-22-2 to  
17 carry out its responsibilities under this chapter.

18 SECTION 3. IC 36-9-3-13 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 13. The board may:

- 20 (1) exercise the executive and legislative powers of the authority  
21 as provided by this chapter;
- 22 (2) as a municipal corporation, sue and be sued in its name;
- 23 (3) sell, lease, or otherwise contract for advertising in or on the  
24 facilities of the authority;
- 25 (4) protect all property owned or managed by the board;
- 26 (5) adopt an annual budget;
- 27 (6) incur indebtedness in the name of the authority in accordance  
28 with this chapter;
- 29 (7) acquire real, personal, or mixed property by deed, purchase,  
30 or lease and dispose of it for use in connection with or for  
31 administrative purposes;
- 32 (8) receive gifts, donations, bequests, and public trusts, agree to  
33 conditions and terms accompanying them, and bind the authority  
34 to carry them out;
- 35 (9) receive federal or state aid and administer that aid;
- 36 (10) erect the buildings or structures needed to administer and  
37 carry out this chapter;
- 38 (11) determine matters of policy regarding internal organization  
39 and operating procedures not specifically provided for by law;
- 40 (12) adopt a schedule of reasonable charges and rents, and collect  
41 them from all users of facilities and services within the  
42 jurisdiction of the authority;

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- 1 (13) purchase supplies, materials, and equipment to carry out the  
2 duties and functions of the board, in accordance with procedures  
3 adopted by the board and under applicable statutes;  
4 (14) employ the personnel necessary to carry out the duties,  
5 functions, and powers of the board;  
6 (15) sell any surplus or unneeded real and personal property in  
7 accordance with procedures adopted by the board and under  
8 applicable statutes;  
9 (16) adopt rules governing the duties of its officers, employees,  
10 and personnel, and the internal management of the affairs of the  
11 board;  
12 (17) fix the compensation of the various officers and employees  
13 of the authority, within the limitations of the total personal  
14 services budget;  
15 (18) purchase public transportation services from public or  
16 private transportation agencies upon the terms and conditions set  
17 forth in purchase of service agreements between the authority and  
18 the transportation agencies;  
19 (19) acquire, establish, construct, improve, equip, operate,  
20 maintain, subsidize, and regulate public transportation systems  
21 within the jurisdiction of the authority;  
22 (20) after receiving a request for assistance from a public  
23 transportation system, enter into agreements with government  
24 agencies, political subdivisions, private transportation companies,  
25 railroads, and other persons providing for:  
26 (A) construction, operation, and use by the other party of any  
27 public transportation system and equipment held or later  
28 acquired by the authority; and  
29 (B) acquisition of any public transportation system and  
30 equipment of another party if all or part of the operations of  
31 that party take place within the jurisdiction of the authority;  
32 (21) rent or lease any real property, including air rights above real  
33 property owned or leased by a transportation system, for  
34 transportation or other purposes, with the revenues from those  
35 rentals to accrue to the authority and to be used exclusively for the  
36 purposes of this chapter;  
37 (22) negotiate and execute contracts of sale, purchase, or lease, or  
38 contracts for personal services, materials, supplies, equipment, or  
39 passenger transportation services;  
40 (23) establish at or near its terminals and stations the off-street  
41 parking facilities and access roads that are necessary and  
42 desirable, and charge fees for or allow free use of those facilities;

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- 1 (24) enter into agreements with other persons for the purpose of
- 2 participating in transportation planning activities;
- 3 (25) administer any rail services or other use of rail rights-of-way
- 4 that may be the responsibility of state or local government under
- 5 the Federal Regional Rail Reorganization Act of 1973, as
- 6 amended (45 U.S.C. sections 701-794);
- 7 (26) determine the level and kind of public transportation services
- 8 that should be provided by the authority; ~~and~~
- 9 **(27) develop, using the applicable guidelines set forth in**
- 10 **IC 8-23-29, one (1) or more pilot programs to explore**
- 11 **alternatives to the motor fuel tax for funding the state**
- 12 **highway system; and**
- 13 ~~(27)~~ **(28)** do all other acts necessary or reasonably incident to
- 14 carrying out the purposes of this chapter.

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