



January 20, 2012

SENATE BILL No. 98

DIGEST OF SB 98 (Updated January 19, 2012 11:10 am - DI 58)

Citations Affected: IC 8-18; IC 36-4.

Synopsis: County highway maintenance funding. Provides that a county may use property taxes and miscellaneous revenue deposited in the county general fund for the maintenance of county highways. (Current law permits property taxes to be used for highway maintenance only in an emergency and by unanimous vote of the county fiscal body, and the county general fund to be used only for county highway department employees' personal services.) Allows a city department, officer, or employee to obligate the city beyond the amount of money appropriated for that department, officer, or employee if the obligation is made under an interlocal cooperation agreement entered into by the city and one or more political subdivisions or governmental entities.

Effective: July 1, 2012.

Kenley, Charbonneau

January 4, 2012, read first time and referred to Committee on Appropriations.
January 19, 2012, amended, reported favorably — Do Pass.

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SB 98—LS 6332/DI 58+



January 20, 2012

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. 98

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 8-18-8-5 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2012]: Sec. 5. ~~(a) Except as provided in~~
3 ~~subsection (c);~~ All expenses incurred in the maintenance of county
4 highways shall **first** be paid out of funds from the gasoline tax, special
5 fuel tax, and the motor vehicle registration fees that are paid to the
6 counties by the state. ~~and from~~ **In addition, a county may use** funds
7 derived from the:
8 (1) county motor vehicle excise surtax;
9 (2) county wheel tax;
10 (3) county adjusted gross income tax;
11 (4) county option income tax;
12 (5) riverboat admission tax (IC 4-33-12); ~~or~~
13 (6) riverboat wagering tax (IC 4-33-13); ~~or~~
14 **(7) property taxes and miscellaneous revenue deposited in the**
15 **county general fund.**
16 ~~(b) Except as provided in subsection (c); no ad valorem property tax~~
17 ~~may be levied by any county for the maintenance of county highways;~~

SB 98—LS 6332/DI 58+



1 except in an emergency and by unanimous vote of the county fiscal
2 body:

3 (c) The county fiscal body may appropriate money from the county
4 general fund to the county highway department to pay for employees'
5 personal services:

6 SECTION 2. IC 36-4-8-12 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 12. (a) This section
8 does not prohibit:

9 (1) the city works board from making long term contracts for
10 utility services under IC 36-9; or

11 (2) a department from issuing bonds or other obligations
12 authorized by law.

13 (b) **Except as provided in subsection (c),** a city department,
14 officer, or employee may not obligate the city to any extent beyond the
15 amount of money appropriated for that department, officer, or
16 employee. An obligation made in violation of this section is void.

17 (c) **A city department, officer, or employee may obligate the city**
18 **beyond the amount of money appropriated for that department,**
19 **officer, or employee if the obligation is made under an interlocal**
20 **cooperation agreement entered into by the city and one (1) or more**
21 **political subdivisions or governmental entities under IC 36-1-7. An**
22 **obligation described in this subsection may be terminated:**

23 (1) if the city provides notice of the termination of the
24 obligation at least one (1) year before the termination of the
25 obligation; or

26 (2) the city and the political subdivisions or governmental
27 entities that have entered into the interlocal cooperation
28 agreement otherwise agree to the termination.

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COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 98, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, after line 5, begin a new paragraph and insert:

"SECTION 2. IC 36-4-8-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 12. (a) This section does not prohibit:

- (1) the city works board from making long term contracts for utility services under IC 36-9; or
- (2) a department from issuing bonds or other obligations authorized by law.

(b) **Except as provided in subsection (c)**, a city department, officer, or employee may not obligate the city to any extent beyond the amount of money appropriated for that department, officer, or employee. An obligation made in violation of this section is void.

(c) A city department, officer, or employee may obligate the city beyond the amount of money appropriated for that department, officer, or employee if the obligation is made under an interlocal cooperation agreement entered into by the city and one (1) or more political subdivisions or governmental entities under IC 36-1-7. An obligation described in this subsection may be terminated:

- (1) if the city provides notice of the termination of the obligation at least one (1) year before the termination of the obligation; or**
- (2) the city and the political subdivisions or governmental entities that have entered into the interlocal cooperation agreement otherwise agree to the termination."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 98 as introduced.)

KENLEY, Chairperson

Committee Vote: Yeas 10, Nays 0.

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