



April 3, 2013

**ENGROSSED
HOUSE BILL No. 1011**

DIGEST OF HB 1011 (Updated April 2, 2013 1:23 pm - DI 58)

Citations Affected: IC 36-1; IC 36-9; noncode.

Synopsis: Public mass transportation. Provides that a political subdivision may not enter into an interlocal cooperation agreement with another political subdivision to establish a joint district or entity to provide public transportation services. Provides that a county or municipality may not establish a new regional transportation authority or become a member of an existing regional transportation authority. Establishes the central Indiana transit study committee. Requires the committee to report to the legislative council before December 15, 2013, concerning specified transportation issues.

Effective: Upon passage.

**Torr, Kirchhofer, Porter, Pryor,
DeLaney, Braun, Huston, Forestal**

(SENATE SPONSORS — MILLER PATRICIA, MERRITT,
TAYLOR, CRIDER)

January 7, 2013, read first time and referred to Committee on Roads and Transportation.
January 31, 2013, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

February 18, 2013, amended, reported — Do Pass.
February 20, 2013, read second time, amended, ordered engrossed.
February 21, 2013, engrossed.
February 25, 2013, read third time, passed. Yeas 56, nays 39.

SENATE ACTION

February 27, 2013, read first time and referred to Committee on Local Government.
March 21, 2013, amended, reported favorably — Do Pass; reassigned to Committee on Tax and Fiscal Policy.
April 2, 2013, amended, reported favorably — Do Pass.

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EH 1011—LS 6167/DI 92+



April 3, 2013

First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1011

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 36-1-7-17 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: **Sec. 17. A political subdivision may not, after**
4 **the date on which this section takes effect, enter into an agreement**
5 **under this chapter with one (1) or more other political subdivisions**
6 **to establish a joint district or an entity to provide public**
7 **transportation services.**

8 SECTION 2. IC 36-9-3-0.5 IS ADDED TO THE INDIANA CODE
9 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
10 UPON PASSAGE]: **Sec. 0.5. A county or municipality may not,**
11 **after the effective date of this section, establish a new authority**
12 **under this chapter or become a member of an existing authority**
13 **under this chapter.**

14 SECTION 3. [EFFECTIVE UPON PASSAGE] (a) **As used in this**
15 **SECTION, "committee" refers to the central Indiana transit study**
16 **committee established under subsection (b).**

17 (b) **The central Indiana transit study committee is established.**

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1 (c) The committee consists of the following members:

2 (1) Three (3) members of the senate representing Marion
3 County, appointed by the president pro tempore of the senate.
4 Not more than two (2) members appointed under this
5 subdivision may be members of the same political party.

6 (2) Three (3) members of the house of representatives
7 representing Marion County, appointed by the speaker of the
8 house of representatives. Not more than two (2) members
9 appointed under this subdivision may be members of the same
10 political party.

11 (3) Two (2) members of the senate appointed by the president
12 pro tempore of the senate as follows:

13 (A) One (1) member representing Hamilton County.

14 (B) One (1) member representing Hancock County.

15 (4) Two (2) members of the house of representatives
16 appointed by the speaker of the house of representatives as
17 follows:

18 (A) One (1) member representing Hendricks County.

19 (B) One (1) member representing Johnson County.

20 (5) Four (4) members of the general assembly appointed as
21 follows:

22 (A) One (1) member appointed by the president pro
23 tempore of the senate.

24 (B) One (1) member appointed by the speaker of the house
25 of representatives.

26 (C) One (1) member appointed by the minority leader of
27 the senate.

28 (D) One (1) member appointed by the minority leader of
29 the house of representatives.

30 (d) The chairman of the legislative council shall appoint a
31 member of the committee to serve as the chairperson of the
32 committee.

33 (e) The committee shall do the following:

34 (1) Identify diverse potential funding sources for bus and bus
35 rapid transit.

36 (2) Study all existing funding sources and expenditures
37 concerning bus transit in central Indiana.

38 (3) Study the use of the public mass transportation fund
39 established by IC 8-23-3-8.

40 (4) Study the ridership numbers of the public transportation
41 corporations serving Marion County.

42 (5) Study ways to improve bus service in central Indiana,

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- 1 including improvements to the types of buses used and
 2 whether bus routes should be changed.
- 3 (6) Study the extent to which bus transit systems can be
 4 supported by the users of bus transit systems.
- 5 (7) Study the feasibility of entering public-private
 6 partnerships to expand bus transit.
- 7 (8) Study whether tax credits for employers and employees
 8 who use bus transit will expand the ridership of bus transit
 9 systems.
- 10 (9) Study the feasibility of light rail transportation, routes for
 11 light rail, and potential funding sources for, and impacts of
 12 providing, light rail transportation.
- 13 (10) Identify ways in which private enterprise may provide
 14 transportation options in central Indiana.
- 15 (11) Study the feasibility of using public-private partnerships
 16 for purposes of public transportation.
- 17 (12) Study the issue of whether a referendum should be used
 18 in the process of establishing a transit district and, if a
 19 referendum should be used in the process, when the
 20 referendum should occur, and make recommendations to the
 21 general assembly on these issues, which may not include a
 22 recommendation for the holding of referendum before
 23 November 2014.
- 24 (13) Study other issues associated with bus transit and light
 25 rail as determined by the committee.
- 26 (f) Except as provided in subsection (g), the committee shall
 27 operate under the policies governing study committees adopted by
 28 the legislative council.
- 29 (g) The committee may meet at any time before December 15,
 30 2013.
- 31 (h) The committee shall report its findings and
 32 recommendations to the legislative council before December 15,
 33 2013.
- 34 (i) This SECTION expires July 1, 2014.
- 35 SECTION 4. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1011, 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:

Page 23, line 27, delete "county; or" and insert "**county and the county does not contain a consolidated city;**".

Page 23, line 29, after "county;" insert "**or**

(3) the city-county council, if the county contains a consolidated city;".

Page 23, line 30, delete "may" and insert "**shall**".

Page 23, delete lines 35 through 40, begin a new line block indented and insert:

"(1) The county economic development income tax rate imposed under subsection (a) may not exceed the maximum rate approved in the local public question under IC 36-9.1-2-2."

Page 24, between lines 12 and 13, begin a new paragraph and insert:
"SECTION 13. IC 34-6-2-110, AS AMENDED BY P.L.2-2007, SECTION 371, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 110. "Political subdivision", for purposes of IC 34-13-3, means a:

- (1) county;
- (2) township;
- (3) city;
- (4) town;
- (5) separate municipal corporation;
- (6) special taxing district;
- (7) state educational institution;
- (8) city or county hospital;
- (9) school corporation;
- (10) board or commission of one (1) of the entities listed in subdivisions (1) through (9);
- (11) drug enforcement task force operated jointly by political subdivisions;
- (12) community correctional service program organized under IC 12-12-1; **or**
- (13) solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal); **or**
- (14) metropolitan transit district established under IC 36-9.1-2.**

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SECTION 14. IC 34-13-3-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 22. (a) For purposes of this chapter, the following shall be treated as political subdivisions:

- (1) A community action agency (as defined in IC 12-14-23-2).
- (2) An individual or corporation rendering public transportation services under a contract with a commuter transportation district created under IC 8-5-15.
- (3) A volunteer fire department (as defined in IC 36-8-12-2) that is acting under:
 - (A) a contract with a unit or a fire protection district; or
 - (B) IC 36-8-17.

(4) An individual or a corporation rendering public transportation services under a contract with a metropolitan transportation district established under IC 36-9.1-2.

(b) The treatment provided for under subsection (a)(2) shall be accorded only in relation to a loss that occurs in the course of rendering public transportation services under contract with a commuter transportation district.

(c) The treatment provided for under subsection (a)(4) shall be accorded only in relation to a loss that occurs in the course of rendering public transportation services under a contract with a metropolitan transit district."

Page 25, between lines 7 and 8, begin a new line blocked left and insert:

"If the consolidated city is located in a county that is a member of a metropolitan transit district established under IC 36-9.1, the terms of the members appointed under this subsection expire on the date on which the first meeting of the board of the metropolitan transit district is called under IC 36-9.1-4-5(a). If not otherwise ineligible, a member appointed under this subsection is eligible for appointment under subsection (d)."

Page 28, line 14, delete "The" and insert **"Beginning on the date on which the first meeting of the board of metropolitan transit district is called under IC 36-9.1-4-5(a), the"**.

Page 28, between lines 29 and 30, begin a new line blocked left and insert:

"If not otherwise ineligible, a member whose term expired under subsection (a) is eligible for appointment under this subsection.

SECTION 16. IC 36-9-3-7, AS AMENDED BY P.L.182-2009(ss), SECTION 448, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 7. (a) Except as provided in subsection (e), as soon as is practical, but not later than ninety (90)



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days after the authority is established, the members shall meet and organize themselves as a board.

(b) Except as provided in ~~subsection~~ **subsections (f) and (g)**, at its first meeting, and annually after that, the board shall elect from its members a president, a vice president who shall perform the duties of the president during the absence or disability of the president, a secretary, and a treasurer. If the authority includes more than one (1) county, the president and vice president must be from different counties.

(c) The regional planning commission staff or the metropolitan planning organization if the authority includes a consolidated city shall serve as staff to the board secretary for the purpose of recording the minutes of all board meetings and keeping the records of the authority.

(d) The board shall keep its maps, plans, documents, records, and accounts in a suitable office, subject to public inspection at all reasonable times.

(e) After December 31, 2009, this subsection applies if a county is not a member of the northern Indiana regional transportation district established under IC 8-24. If the authority includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the first meeting of the board shall be at the call of the county council of the county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). The president of the county council shall preside over the first meeting until the officers of the board have been elected.

(f) After December 31, 2009, this subsection applies if a county is not a member of the northern Indiana regional transportation district established under IC 8-24. If the authority includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the board shall first meet in January. At the first meeting the board shall elect from its members a president, a vice president who shall perform the duties of the president during the absence or disability of the president, a secretary, a treasurer, and any other officers the board determines are necessary for the board to function.

(g) This subsection applies to an authority that includes a county that is a member of a metropolitan transit district established under IC 36-9.1. The chairperson and vice-chairperson of the board of the metropolitan transit district shall serve as chairperson and vice-chairperson of the board of the authority. The board shall elect from its members a secretary-treasurer."



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Page 31, line 30, after "district." insert **"The metropolitan transit district is subject to the requirements of IC 36-9-3-21 and IC 36-9-4-41."**

Page 35, delete lines 32 through 36, begin a new paragraph and insert:

"Sec. 3. "Authorizing body" means the following:

(1) For a county containing a consolidated city, the city-county council.

(2) For a county (other than a county containing a consolidated city) in which the county option income tax is in effect, the county income tax council (as defined in IC 6-3.5-6-1).

(3) For a county in which the county adjusted gross income tax is in effect, the county council."

Page 36, line 37, delete "recommended" and insert **"maximum"**.

Page 36, line 39, delete "recommended" and insert **"maximum"**.

Page 37, delete lines 4 through 10, begin a new line block indented and insert:

""Shall _____ County become a member of a metropolitan transit district and have the ability to impose a county economic development income tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance under subsection (a)), the proceeds of which will be dedicated to the metropolitan transit district to provide improved transit service in the county, including increased local bus service, express buses, and rapid transit lines?"".

Page 37, delete line 14.

Page 37, line 15, delete "(1)".

Page 37, run in lines 13 through 15.

Page 37, line 17, delete "vote; or" and insert **"vote."**

Page 37, delete line 18.

Page 37, between lines 36 and 37, begin a new paragraph and insert:

"(g) A political subdivision may not expend public funds (as defined in IC 5-13-4-20) to support or oppose the approval of the local public question under this section."

Page 40, between lines 19 and 20, begin a new paragraph and insert:

"(c) A member must reside in the county from which the appointment was made. A member's term expires on the date the member establishes residency in another county.

(d) The following individuals are not eligible for membership on the board:

(1) An officer of the district.



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(2) An employee of the district.

(3) An elected official."

Page 47, between lines 15 and 16, begin a new paragraph and insert:

"Sec. 26. The metropolitan transit district may enter into agreements with government agencies, political subdivisions, and other persons providing for public safety services."

Page 47, line 35, after "district." insert **"The chief executive officer must have at least seven (7) years experience in public transportation at a senior executive level."**

Page 58, after line 29, begin a new paragraph and insert:

"Sec. 4. The metropolitan transit district may not impose any tax."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1011 as introduced.)

SOLIDAY, Chair

Committee Vote: yeas 11, nays 1.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1011, 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:

Page 23, line 33, delete "shall" and insert **"may"**.

Page 33, line 19, after "in" insert **"subsection (c) and"**.

Page 33, line 25, after "in" insert **"subsection (c) and"**.

Page 35, between lines 32 and 33, begin a new paragraph and insert:

"(c) A metropolitan transit district receiving the powers and duties of a public transportation corporation under subsection (b) may not exercise the power of eminent domain under section 32 of this chapter."

Page 39, line 22, after "(0.3%)." insert **"The authorizing body must take final action under this subsection not later than December 31, 2013."**

Page 42, line 23, delete "three (3)" and insert **"five (5)"**.

Page 42, line 26, delete "One (1) member" and insert **"Two (2) members"**.

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Page 42, between lines 27 and 28, begin a new line double block indented and insert:

"(C) One (1) member appointed by the board of county commissioners."

Page 43, line 2, delete "No" and insert "Not".

Page 43, line 2, after "county" insert **"described in subsection (a)(2) or (a)(3)"**.

Page 43, line 3, after "party." insert **"One (1) member appointed under subsection (a)(1)(A) and (a)(1)(B) must be from each major political party."**

Page 45, line 21, delete "property, including the condemning of real" and insert **"property."**

Page 45, delete line 22.

Page 47, line 11, delete "impose any tax." and insert **"do the following:**

(1) Impose any tax.

(2) Exercise the power of eminent domain."

Page 49, line 25, delete "The" and insert **"(a) Subject to subsection (b), the"**.

Page 49, between lines 34 and 35, begin a new paragraph and insert:

"(b) Notwithstanding any other law, a tax increment financing district established under subsection (a) expires after five (5) years.

(c) The metropolitan transit district shall require a person contracted to construct a facility financed by using or pledging the incremental revenue of a tax increment financing district established under subsection (a) to adopt policies concerning the preferential hiring of residents of the tax increment financing district."

Page 50, between lines 10 and 11, begin a new paragraph and insert:

"Sec. 27. The metropolitan transit district may enter into agreements with government agencies, political subdivisions, and other persons providing for public safety services."

Page 51, between lines 3 and 4, begin a new paragraph and insert:

"Sec. 7. Before July 1 of the calendar year in which the district is established, the board shall publish the estimated total cost of implementing the district on an Internet web site maintained by the board."

Page 51, line 32, delete "consultation with the county fiscal" and insert **"conformity with the goals established by the department of minority and women's business development of a consolidated city."**

Page 51, line 33, delete "bodies of the authorizing counties."

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Page 51, delete lines 37 through 42.

Page 52, delete lines 1 through 11.

Page 57, line 22, delete "The" and insert "**Subject to section 2 of this chapter, the**".

Page 58, delete lines 25 through 30, begin a new paragraph and insert:

"Sec. 2. The district may not issue bonds unless the issuance of the bonds is reviewed by the fiscal body of each county in which the project being financed by the proposed bond issuance is located."

Page 59, between lines 36 and 37, begin a new paragraph and insert:

"Sec. 8. (a) If the metropolitan transit district board determines that the sum of:

- (1) the cost of a proposed project of the district that would be financed by bonds issued under this chapter; and**
- (2) the total amount of money expended by the district as of the date of the board's determination;**

exceeds the amount published under IC 36-9.1-6-7 by more than five percent (5%), the district may not issue bonds for the project unless the issuance is approved by the voters in each county that is a member of the district in a local public question held under this section.

(b) To obtain the approval of the voters, each authorizing body in the district shall adopt an ordinance to certify the following question to its county election board, and the county election board shall place the question on the election ballot at the next general election in accordance with IC 3-10-9:

"Shall the metropolitan transit district have the ability to issue bonds in an amount not to exceed _____ (insert the amount to be financed by the proposed bond issuance) to finance _____ (insert the type of project to be financed if approved by the voters) in _____ (insert the name of the county or municipality in which the proposed project is located)?"

(c) After an election on the local public question, the circuit court clerk of the county shall:

- (1) make a certified copy of the election returns; and**
- (2) not later than five (5) days after the election, file the copy with:**
 - (A) the department of state revenue; and**
 - (B) the authorizing body of the county.**

(d) The local public question is approved by a county if a majority of the county voters voting on the local public question

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vote "yes". The local public question is defeated by a county if a majority of the county voters voting on the local public question vote "no".

(e) If the local public question is defeated in a county, the authorizing body may adopt an ordinance under this section to place another local public question on the ballot as provided in this section at a subsequent general election in the county. However, a local public question under this section may not be placed on the ballot more than two (2) times in any five (5) year period."

and when so amended that said bill do pass.

(Reference is to HB 1011 as printed February 1, 2013.)

BROWN T, Chair

Committee Vote: yeas 20, nays 2.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1011 be amended to read as follows:

Page 23, line 24, after "IC 36-9.1-2-2" insert "**or IC 36-9.1-2-3**".

Page 23, line 41, delete "IC 36-9.1-2-2." and insert "**IC 36-9.1-2-2 or IC 36-9.1-2-3**".

Page 24, between lines 13 and 14, begin a new line block indented and insert:

"(5) A county economic development income tax rate imposed in an eligible county under subsection (a) applies only in those townships of the county that are included in the territory of the metropolitan transit district under IC 36-9.1-2-7.

(c) If a border township (as defined in IC 36-9.1-1-6) of an eligible county:

(1) is not included in the territory of the metropolitan transit district at the time a county economic development income tax rate is imposed in the eligible county under subsection (a); and

(2) the border township afterwards approves a local public question under IC 36-9.1-2-4;

a county taxpayer of the border township is subject to the county economic development income tax rate imposed under subsection (a) in the eligible county beginning on January 1 of the year following the year in which the border township approves the local



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public question."

Page 38, delete lines 7 through 42, begin a new paragraph and insert:

"Chapter 1. Purpose of Article; Definitions

Sec. 1. The purpose of this article is to provide for the planning, designing, acquiring, constructing, enlarging, improving, renovating, maintaining, equipping, financing, operating, and supporting of public transportation systems in central Indiana.

Sec. 2. The definitions in this chapter apply throughout this article.

Sec. 3. "Authorizing body" means the following:

- (1) For a county containing a consolidated city, the city-county council.**
- (2) For a county (other than a county containing a consolidated city) in which the county option income tax is in effect, the county income tax council (as defined in IC 6-3.5-6-1).**
- (3) For a county in which the county adjusted gross income tax is in effect, the county council.**
- (4) For a border township, the legislative body of the border township.**

Sec. 4. "Authorizing county" means a county that has approved a local public question under IC 36-9.1-2-2.

Sec. 5. "Bonds" means, except as otherwise provided, bonds, notes, or other evidences of indebtedness. The term includes obligations (as defined in IC 8-9.5-9-3) and swap agreements (as defined in IC 8-9.5-9-4).

Sec. 6. "Border township" means a township with the following characteristics:

- (1) The township is located in an eligible county.**
- (2) The boundary of the township is contiguous along any part of its boundary to a county that is not an eligible county.**
- (3) The territory of the township does not intersect with the territory of the county seat of the eligible county in which the township is located.**

Sec. 7. "District" means, except as otherwise provided, a metropolitan transit district established under IC 36-9.1-2-6.

Sec. 8. "Eligible county" means any of the following counties:

- (1) Boone County.**
- (2) Delaware County.**
- (3) Hamilton County.**
- (4) Hancock County.**

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- (5) Hendricks County.
- (6) Johnson County.
- (7) Madison County.
- (8) Marion County.
- (9) Morgan County.
- (10) Shelby County.

Sec. 9. "Interior township" means a township in an eligible county that is not a border township.

Sec. 10. "Project" refers to an action taken to:

- (1) plan;
- (2) design;
- (3) acquire;
- (4) construct;
- (5) enlarge;
- (6) improve;
- (7) renovate;
- (8) maintain;
- (9) equip; or
- (10) operate;

a public transportation system.

Sec. 11. "Public transportation agency" has the meaning set forth in IC 36-9-1-5.5.

Sec. 12. "Public transportation system" means a common carrier of passengers for hire.

Chapter 2. Establishment of the Metropolitan Transit District

Sec. 1. Subject to the requirements of this article, a metropolitan transit district may be established as provided in this chapter.

Sec. 2. (a) This section applies only to Marion County.

(b) The authorizing body of Marion County may adopt an ordinance to place on the ballot a local public question concerning the authority to become a member of a metropolitan transit district. The authorizing body shall include in the ordinance a maximum county economic development income tax rate that will be dedicated to pay the county's contribution to the funding of the metropolitan transit district. The maximum tax rate may not exceed a rate of three-tenths of one percent (0.3%). The authorizing body must take final action under this subsection not later than December 31, 2013.

(c) If the authorizing body adopts an ordinance under subsection (b), the county auditor shall certify the ordinance to the county election board, and the county election board shall place the following question on the election ballot in accordance with

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IC 3-10-9:

"Shall Marion County become a member of a metropolitan transit district and have the ability to impose a county economic development income tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance under subsection (b)), the proceeds of which will be dedicated to the metropolitan transit district to provide improved transit service in the county, including increased local bus service, express buses, and rapid transit lines?"

(d) Except as provided in subsection (g), if the county auditor certifies the ordinance as provided in subsection (c), the county election board shall place the local public question on the ballot at the next general election for which the question may be certified under IC 3-10-9-3 and for which all voters of the county are entitled to vote.

(e) After an election on the local public question, the circuit court clerk of the county shall:

- (1) make a certified copy of the election returns; and
- (2) not later than five (5) days after the election, file the copy with:
 - (A) the department of state revenue; and
 - (B) the authorizing body of the county.

(f) The local public question is approved by a county if a majority of the county voters voting on the local public question vote "yes". The local public question is defeated by a county if a majority of the county voters voting on the local public question vote "no".

(g) If the local public question is defeated in a county, the authorizing body may adopt an ordinance under this section to place another local public question on the ballot as provided in this section at a subsequent general election in the county. However, a local public question under this section may not be placed on the ballot more than two (2) times in any seven (7) year period.

Sec. 3. (a) This section applies only to an eligible county other than Marion County.

(b) The authorizing body of an eligible county to which this section applies may adopt an ordinance to place on the ballot a local public question concerning the authority to become a member of a metropolitan transit district. The authorizing body shall include in the ordinance a maximum county economic development income tax rate that will be dedicated to pay the county's contribution to the funding of the metropolitan transit district. The

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maximum tax rate may not exceed a rate of three-tenths of one percent (0.3%). The authorizing body must take final action under this subsection not later than December 31, 2013.

(c) If the authorizing body adopts an ordinance under subsection (b), the county auditor shall certify the ordinance to the county election board, and the county election board shall place the following question on the election ballot in accordance with IC 3-10-9:

"Shall _____ County become a member of a metropolitan transit district, the territory of _____ Townships (list the interior townships of the eligible county) of _____ County be included in the metropolitan transit district, and _____ County and have the ability to impose a county economic development income tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance under subsection (b)), the proceeds of which will be dedicated to the metropolitan transit district to provide improved transit service in the part of the county included in the territory of the metropolitan transit district, including increased local bus service, express buses, and rapid transit lines?"

(d) Except as provided in subsection (g), if the county auditor certifies the ordinance as provided in subsection (c), the county election board shall place the local public question on the ballot in the interior townships of the eligible county at the next general election for which the question may be certified under IC 3-10-9-3 and for which all voters of the interior townships of the eligible county are entitled to vote.

(e) After an election on the local public question, the circuit court clerk of the county shall:

- (1) make a certified copy of the election returns; and
- (2) not later than five (5) days after the election, file the copy with:
 - (A) the department of state revenue; and
 - (B) the authorizing body of the county.

(f) The local public question is approved by a county with respect to the interior townships of the county if a majority of the county voters in the interior townships of the county voting on the local public question vote "yes". The local public question is defeated by a county if a majority of the county voters in the interior townships of the county voting on the local public question vote "no".



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(g) If the local public question submitted to the voters of the interior townships of a county is defeated in a referendum under this section, the authorizing body may adopt an ordinance under this section to place another local public question on the ballot in the interior townships of the county as provided in this section at a subsequent general election in the county. However, a local public question under this section may not be placed on the ballot more than two (2) times in any seven (7) year period.

Sec. 4. (a) The authorizing body of the border township may adopt a resolution to place on the ballot a local public question concerning whether the territory of the border township shall be included in territory of the metropolitan transit district.

(b) If the authorizing body adopts a resolution under subsection (a), the county auditor shall certify the resolution to the county election board, and the county election board shall place the following question on the election ballot in accordance with IC 3-10-9:

"Shall the territory of _____ Township of _____ County be included in the territory of the metropolitan transit district and the taxpayers of _____ Township of _____ County be subject to a county economic development income tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance adopted under section (3)(b) of this chapter by the authorizing body of the county in which the township is located), the proceeds of which will be dedicated to the metropolitan transit district to provide improved transit service in the township, including increased local bus service, express buses, and rapid transit lines?"

(c) Except as provided in subsection (f), if the county auditor certifies the resolution as provided in subsection (b), the county election board shall place the local public question on the ballot at the next general election for which the question may be certified under IC 3-10-9-3 and for which all voters of the border township are entitled to vote.

(d) After an election on the local public question, the circuit court clerk of the county shall:

- (1) make a certified copy of the election returns; and
- (2) not later than five (5) days after the election, file the copy with:
 - (A) the department of state revenue;
 - (B) the authorizing body of the township; and



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(C) the authorizing body of the county.

(e) The local public question is approved by a border township if a majority of the border township voters voting on the local public question vote "yes". The local public question is defeated by a border township if a majority of the border township voters voting on the local public question vote "no".

(f) If the local public question is defeated in a border township, the authorizing body may adopt a resolution under this section to place another local public question on the ballot as provided in this section at a subsequent general election in the township. However, a local public question under this section may not be placed on the ballot more than two (2) times in any seven (7) year period.

(g) If the voters of a border township approve a local public question under this section, the territory of the border township is not included in the territory of the metropolitan transit district until the eligible county in which the border township is located becomes a member of the metropolitan transit district.

Sec. 5. A political subdivision may not expend public funds (as defined in IC 5-13-4-20) to support or oppose the approval of the local public question under this chapter.

Sec. 6. (a) A metropolitan transit district is established on January 1 of the year following the year in which a local public question is approved in one (1) or more of the following combination of counties under section 2 of this chapter, or sections 2 and 3 of this chapter:

- (1) By the voters in Marion County only.**
- (2) By the voters in Marion County and by the voters of the interior townships of at least one (1) county that is contiguous to Marion County.**
- (3) By the voters in Marion County, the voters of the interior townships of Madison County, and the voters of the interior townships of at least one (1) county that is contiguous to both Marion County and Madison County.**

(b) Except as provided in subsections (c) and (d), the membership of the metropolitan transit district consists of the counties in which a local public question under section 2 or 3 of this chapter is approved.

(c) If the voters of the interior townships in Madison County approve a local public question under section 3 of this chapter:

- (1) Madison County is not included in a metropolitan transit district; and**
- (2) the territory of the interior townships of Madison County**

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is not included in the territory of the metropolitan transit district;
until the combination of approvals described in subsection (a)(3) occurs.

(d) If the voters of the interior townships in Delaware County approve a local public question under section 3 of this chapter:

- (1) Delaware County is not included in a metropolitan transit district; and
- (2) the territory of the interior townships of Delaware County is not included in the territory of the metropolitan transit district;

until the combination of approvals described in subsection (a)(3) occurs.

(e) The approval of voters in a combination of counties required by this section to establish a metropolitan transit district may occur in separate elections.

Sec. 7. (a) The territory of the metropolitan transit district must be connected.

(b) Subject to section 8 of this chapter, the territory of the metropolitan transit district consists of the territories of:

- (1) Marion County;
- (2) the interior townships of eligible counties other than Marion County that have become members of the metropolitan transit district; and
- (3) the border townships:
 - (A) that have approved a local public question under section 4 of this chapter; and
 - (B) are located in an eligible county that is member of the metropolitan transit district.

Sec. 8. The following apply if a metropolitan transit district is established under section 6 of this chapter:

- (1) An eligible county other than Marion County that does not become a member of the metropolitan transit district at the time the metropolitan transit district is established may become a member of the metropolitan transit district at a later date if a local public question under section 3 of this chapter is approved in the county at a subsequent general election. If a local public question under section 3 of this chapter is approved in a county, the county becomes a member of the metropolitan transit district on January 1 of the following year.
- (2) If a local public question under section 4 of this chapter is

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approved in a border township, the territory of the metropolitan transit district is enlarged to include the territory of the border township on January 1 of the following year.

(3) A county that is not an eligible county may not become a member of the metropolitan transit district."

Delete pages 39 through 40.

Page 41, delete lines 1 through 33.

Page 43, line 2, delete "county." and insert **"territory of the county included in the district."**

(Reference is to HB 1011 as printed February 18, 2013.)

TURNER

HOUSE MOTION

Mr. Speaker: I move that House Bill 1011 be amended to read as follows:

Page 49, delete lines 36 through 42.

Page 50, delete lines 1 through 12.

Page 50, line 13, delete "22." and insert **"21."**

Page 50, line 18, delete "23." and insert **"22."**

Page 50, line 21, delete "24." and insert **"23."**

Page 50, line 25, delete "25." and insert **"24."**

Page 50, line 28, delete "26." and insert **"25."**

Page 50, line 31, delete "27." and insert **"26."**

(Reference is to HB 1011 as printed February 18, 2013.)

PRYOR

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COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred House Bill No. 1011, 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 11, line 8, delete "October" and insert "**August**".

Page 11, line 9, delete "the later of:" and insert "**January 1 of the following year.**".

Page 11, delete lines 10 through 11.

Page 23, line 25, delete "36-9.1-1-7):" and insert "**36-9.1-1-8):**".

Page 30, line 1, after "board of" insert "**the**".

Page 30, line 19, delete "(a)" and insert "**(b)**".

Page 33, line 38, after "of" insert ":",

Page 33, line 38, before "the" begin a new line double block indented and insert:

"(A)".

Page 33, line 38, after "corporation" insert ":",

Page 33, between lines 38 and 39, begin a new line double block indented and insert:

"(B) the Speedway public transportation corporation;".

Page 33, line 39, delete "its" and insert "**and of either corporation's**".

Page 34, line 4, delete "is" and insert "**and the Speedway public transportation corporation are**".

Page 34, line 7, delete "for the" and insert "**for each of these**".

Page 34, line 8, delete "corporation" and insert "**corporations**".

Page 34, line 23, after "directors" insert "**and the Speedway public transportation corporation and its board of directors**".

Page 34, delete lines 26 through 36, begin a new line block indented and insert:

"(4) Upon the transfer of powers and duties to the metropolitan transit district as provided in subdivision (1), the boards of directors of the Indianapolis public transportation corporation and the Speedway public transportation corporation:

(A) are no longer the governing bodies of the public transportation corporation;

(B) shall serve as an advisory board to the metropolitan transit district for the first six (6) months after the metropolitan transit district is established; and

(C) are abolished at the end of the six (6) month period

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described in clause (B)."

Page 34, line 38, after "corporation" insert "**and the Speedway public transportation corporation**".

Page 35, line 17, after "adopted." insert "**The ordinance that provides for the proposed budget and proposed tax levy is subject to the veto of the executive of the consolidated city and county under IC 36-3-4.**".

Page 40, line 28, delete "county," and insert "**district**".

Page 44, line 2, delete "combination" and insert "**combinations**".

Page 51, between lines 16 and 17, begin a new line block indented and insert:

"(3) Borrow, make guaranties, issue bonds, debentures, or notes, or incur indebtedness for operating capital, except for warrants issued in anticipation of tax collections for the year in which the warrant is issued."

Page 52, line 5, after "state aid" insert "**, including federal or state aid for public mass transit**".

Page 53, line 13, after "17." insert "(a)".

Page 53, line 15, after "board." insert "**The district may invest funds only in accordance with IC 5-13-9.**".

Page 53, between lines 15 and 16, begin a new paragraph and insert:

"(b) The district board shall make a written report to the Marion County board of finance summarizing the district's investments during the previous calendar year in the same manner as required by IC 5-13-7-7."

Page 53, delete lines 38 through 41.

Page 53, line 42, delete "24." and insert "**23.**".

Page 54, line 3, delete "25." and insert "**24.**".

Page 54, delete lines 6 through 8.

Page 54, between lines 18 and 19, begin a new paragraph and insert:

"Sec. 2. The board shall adopt a comprehensive set of financial policies that include the following:

(1) An operating cost growth policy to control the annual increase in the system unit cost of service relative to the rate of inflation for transportation services as identified by the United States Department of Labor, Bureau of Labor Statistics.

(2) A fare revenue policy that provides for regular review and adjustment of fare levels to ensure that fare revenues reflect an appropriate contribution by riders to the cost of operating the transit system, including establishing a specific ratio of fare revenues to operating expenses.



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(3) An operating reserve policy to set minimum annual operating balances.

(4) A resource allocation policy to establish long term criteria for allocating money between operations and capital expenditures to ensure stable service delivery, proper maintenance of assets, and prudent capital improvement projects.

(5) A comprehensive debt management policy that establishes, among other provisions:

(A) a prudent net debt service coverage ratio; and

(B) an annual fund balance requirement.

(6) A cash management policy, including investment criteria for cash and fund balances.

Sec. 3. The board shall adopt a comprehensive set of service management policies that include the following:

(1) Service performance measures and standards to ensure cost-effective and cost-efficient service delivery.

(2) System and route level service measures.

(3) Standards for productivity, cost effectiveness and efficiency.

(4) Risk management and safety policies."

Page 54, line 19, delete "2." and insert "4."

Page 54, line 21, delete "3." and insert "5."

Page 54, line 27, delete "4." and insert "6."

Page 54, line 28, delete "The chief executive".

Page 54, delete lines 29 through 30.

Page 54, line 31, delete "5." and insert "7."

Page 54, line 33, delete "6." and insert "8."

Page 55, line 2, delete "7." and insert "9."

Page 60, between lines 8 and 9, begin a new paragraph and insert:

"Sec. 7. The board shall report annually at a public meeting on its operating performance, its financial results, and the overall status of implementing the regional public transportation plan and projects."

Page 61, line 8, after "to" insert "subsection (b) and".

Page 61, between lines 38 and 39, begin a new paragraph and insert:

"(b) The district may not:

(1) borrow, make guaranties, issue bonds, debentures, or notes, or incur indebtedness to provide operating capital, except for warrants issued in anticipation of tax collections for the year in which the warrant is issued; or

(2) impose any tax."

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Page 61, line 39, delete "(b)" and insert "(c)".

Page 62, line 5, delete "(c)" and insert "(d)".

Page 62, line 7, delete "(d)" and insert "(e)".

Page 62, line 10, delete "(e)" and insert "(f)".

Page 65, line 42, delete "for the" and insert "**for the:**

(1) capital expenses; and

(2) except as provided in IC 36-9.1-12-1(b), operating expenses;".

Page 66, line 1, delete "capital and operating expenses".

Page 66, line 3, after "plan." insert "**Money received by the district from property tax revenue must be expended for projects within the district.**".

and when so amended that said bill do pass and be reassigned to the Senate Committee on Tax and Fiscal Policy.

(Reference is to HB 1011 as reprinted February 21, 2013.)

HEAD, Chairperson

Committee Vote: Yeas 7, Nays 2.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1011, 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 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 36-1-7-17 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. A political subdivision may not, after the date on which this section takes effect, enter into an agreement under this chapter with one (1) or more other political subdivisions to establish a joint district or an entity to provide public transportation services.**

SECTION 2. IC 36-9-3-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. A county or municipality may not, after the effective date of this section, establish a new authority under this chapter or become a member of an existing authority under this chapter.**

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SECTION 3. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "committee" refers to the central Indiana transit study committee established under subsection (b).

(b) The central Indiana transit study committee is established.

(c) The committee consists of the following members:

(1) Three (3) members of the senate representing Marion County, appointed by the president pro tempore of the senate. Not more than two (2) members appointed under this subdivision may be members of the same political party.

(2) Three (3) members of the house of representatives representing Marion County, appointed by the speaker of the house of representatives. Not more than two (2) members appointed under this subdivision may be members of the same political party.

(3) Two (2) members of the senate appointed by the president pro tempore of the senate as follows:

(A) One (1) member representing Hamilton County.

(B) One (1) member representing Hancock County.

(4) Two (2) members of the house of representatives appointed by the speaker of the house of representatives as follows:

(A) One (1) member representing Hendricks County.

(B) One (1) member representing Johnson County.

(5) Four (4) members of the general assembly appointed as follows:

(A) One (1) member appointed by the president pro tempore of the senate.

(B) One (1) member appointed by the speaker of the house of representatives.

(C) One (1) member appointed by the minority leader of the senate.

(D) One (1) member appointed by the minority leader of the house of representatives.

(d) The chairman of the legislative council shall appoint a member of the committee to serve as the chairperson of the committee.

(e) The committee shall do the following:

(1) Identify diverse potential funding sources for bus and bus rapid transit.

(2) Study all existing funding sources and expenditures concerning bus transit in central Indiana.

(3) Study the use of the public mass transportation fund

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established by IC 8-23-3-8.

(4) Study the ridership numbers of the public transportation corporations serving Marion County.

(5) Study ways to improve bus service in central Indiana, including improvements to the types of buses used and whether bus routes should be changed.

(6) Study the extent to which bus transit systems can be supported by the users of bus transit systems.

(7) Study the feasibility of entering public-private partnerships to expand bus transit.

(8) Study whether tax credits for employers and employees who use bus transit will expand the ridership of bus transit systems.

(9) Study the feasibility of light rail transportation, routes for light rail, and potential funding sources for, and impacts of providing, light rail transportation.

(10) Identify ways in which private enterprise may provide transportation options in central Indiana.

(11) Study the feasibility of using public-private partnerships for purposes of public transportation.

(12) Study the issue of whether a referendum should be used in the process of establishing a transit district and, if a referendum should be used in the process, when the referendum should occur, and make recommendations to the general assembly on these issues, which may not include a recommendation for the holding of referendum before November 2014.

(13) Study other issues associated with bus transit and light rail as determined by the committee.

(f) Except as provided in subsection (g), the committee shall operate under the policies governing study committees adopted by the legislative council.

(g) The committee may meet at any time before December 15, 2013.

(h) The committee shall report its findings and recommendations to the legislative council before December 15, 2013.

(i) This SECTION expires July 1, 2014.

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SECTION 4. An emergency is declared for this act."

Delete pages 2 through 67.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to EHB 1011 as printed March 22, 2013.)

HERSHMAN, Chairperson

Committee Vote: Yeas 12, Nays 0.

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