
HOUSE BILL No. 1539

DIGEST OF INTRODUCED BILL

Citations Affected: IC 13-20-25; IC 32-21.

Synopsis: Methamphetamine decontamination grant program. Establishes a methamphetamine decontamination grant program to provide grants to property owners for the cleanup of property damaged by the manufacture of methamphetamine. Specifies that a person may receive the lesser of: (1) 50% of the cleanup costs; or (2) \$10,000. Requires disclosure if a property was previously used as a site to manufacture methamphetamine, unless the property is certified as decontaminated by an inspector approved by the department of environmental management.

Effective: July 1, 2013.

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January 22, 2013, read first time and referred to Committee on Ways and Means.

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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.

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HOUSE BILL No. 1539



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

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

1 SECTION 1. IC 13-20-25 IS ADDED TO THE INDIANA CODE
 2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2013]:
 4 **Chapter 25. Methamphetamine Decontamination Grant**
 5 **Program**
 6 **Sec. 1. (a) The department shall provide financial assistance to**
 7 **a property owner through matching grants awarded under this**
 8 **chapter for a project involving the decontamination of the owner's**
 9 **property contaminated due to the illegal manufacture of**
 10 **methamphetamine by a person other than the owner of the**
 11 **property.**
 12 **(b) Grants awarded under this chapter must be funded from the**
 13 **methamphetamine decontamination grant fund.**
 14 **Sec. 2. (a) The methamphetamine decontamination grant fund**
 15 **is established to provide financial assistant to a property owner in**
 16 **decontaminating property affected by the manufacture of**
 17 **methamphetamine. The fund shall be administered by the**



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department.

(b) The fund consists of appropriations made by the general assembly.

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

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

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

(f) Money in the fund is continuously appropriated to carry out the purposes of the fund.

Sec. 3. A grant may be awarded under this chapter to a property owner only for decontamination conducted by or under the supervision of a person approved under IC 13-14-1-15.

Sec. 4. (a) After a grant applicant has developed a decontamination plan and scope of work, the applicant may apply for a grant under this chapter on forms prepared and supplied by the department.

(b) A grant application must include the following:

(1) A statement describing a project's timetable, scope of work, and a decontamination plan that identifies persons responsible for implementation and indicates which persons have been approved under IC 13-14-1-15.

(2) A budget showing all estimated costs.

(3) A commitment by the applicant to:

(A) maintain appropriate records that document all expenditures made during the decontamination project; and

(B) submit to the department a final report describing all decontamination related work.

Sec. 5. (a) When a grantee accepts a grant award, the department shall pay the grantee seventy-five percent (75%) of the grant for the project.

(b) The remaining twenty-five percent (25%) of the grant shall be paid to the grantee after the:

(1) grantee submits the final report to the department; and

(2) department has audited and approved in writing the final expenditures.

Sec. 6. A grantee shall submit to the department documentation of all project expenditures within:

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1 (1) thirty (30) days after completion of the project; or
 2 (2) twelve (12) months after the grant is awarded;
 3 whichever occurs first.

4 **Sec. 7. (a) Estimated project costs submitted under section 4(b)**
 5 **of this chapter must include the following:**

6 (1) Eligible project costs.

7 (2) Ineligible project costs.

8 **(b) Project costs that are ineligible for grant funding may not be**
 9 **used to fulfill a grantee's match requirement. A grantee is**
 10 **responsible for all project costs except the costs funded by a grant.**

11 **(c) Ineligible project costs include the following:**

12 (1) Costs incurred before the approval of a grant.

13 (2) Costs incurred more than twenty-four (24) months after a
 14 grant has been accepted.

15 (3) Costs incurred by a grantee that exceed original estimated
 16 eligible project costs indicated in a grant application.

17 (4) Other costs that are not specifically related to
 18 decontamination as determined by the department.

19 **(d) Eligible project costs may be:**

20 (1) used to fulfill the grantee's match requirement; and

21 (2) funded by the grant.

22 **(e) Project costs that are not ineligible under subsection (c) are**
 23 **eligible project costs for purposes of subsection (d).**

24 **Sec. 8. A grant awarded under this chapter:**

25 (1) may not exceed the lesser of:

26 (A) fifty percent (50%) of the total eligible costs estimated
 27 in a grant application; or

28 (B) ten thousand dollars (\$10,000); and

29 (2) must be matched by an applicant's financial or in kind
 30 contributions.

31 **Sec. 9. The department shall establish criteria for determining**
 32 **the priority of grant applications under this chapter. In**
 33 **establishing criteria, the department shall consider the extent to**
 34 **which a contaminated property constitutes:**

35 (1) a potential nuisance; and

36 (2) a hazard to public health or safety.

37 **If the department determines that one (1) or more applicants meet**
 38 **the criteria equally, the department shall give priority to the**
 39 **application the department received first.**

40 **Sec. 10. (a) A property owner may apply for more than one (1)**
 41 **grant under this chapter if each grant is for a separate parcel of**
 42 **property.**

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1 (b) A previous grant recipient under this chapter may reapply
 2 for additional grants for separate parcels within the same year
 3 only if money is available to the department after awarding grants
 4 to all other eligible applicants.

5 Sec. 11. (a) A grant applicant may request an exemption from
 6 the requirement that the decontamination project be conducted or
 7 supervised by a person approved under IC 13-14-1-15 by
 8 submitting a written request to the department demonstrating that
 9 this requirement would constitute an undue hardship.

10 (b) A request filed under this section must contain a detailed
 11 description of the basis for a requested exemption.

12 (c) The department shall review an exemption request with
 13 regard to the ability of a person not approved under IC 13-14-1-15
 14 to adequately and safely conduct the decontamination project.

15 (d) An exemption granted by the department must:

- 16 (1) be in writing; and
 17 (2) clearly state the reasons for the exemption.

18 Sec. 12. (a) The department may terminate a grant awarded
 19 under this chapter if the department determines that there:

- 20 (1) has been no sustained progress in meeting a timetable
 21 established in section 4(b) of this chapter;
 22 (2) is substantial evidence that a grant was obtained by fraud;
 23 or
 24 (3) is substantial evidence of gross abuse or corrupt practices
 25 in the administration or implementation of a project.

26 (b) If the department terminates a grant, the grantee shall
 27 return the full amount of the grant received.

28 Sec. 13. (a) Before February 1 of each year, the department shall
 29 submit an annual report to the:

- 30 (1) governor;
 31 (2) legislative council; and
 32 (3) budget director.

33 A report submitted under this subsection to the legislative council
 34 must be in an electronic format under IC 5-14-6.

35 (b) The report must contain the following:

- 36 (1) A description of each project funded through grants under
 37 this chapter.
 38 (2) A statement of the total amount of money that the
 39 department expends through grants under this chapter during
 40 the immediately preceding year.
 41 (3) An estimate of the amount of money that is required to
 42 meet the eligible grant requests for the current year.

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1 **(4) Proposals of recommendations for any changes, in funding**
 2 **or otherwise, to the grant project.**
 3 **Sec. 14. The board may adopt rules under this chapter in**
 4 **accordance with IC 4-22-2 and IC 13-14-9.**
 5 SECTION 2. IC 32-21-5-7, AS AMENDED BY P.L.159-2011,
 6 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2013]: Sec. 7. The Indiana real estate commission established
 8 by IC 25-34.1-2-1 shall adopt a specific disclosure form that contains
 9 the following:
 10 (1) Disclosure by the owner of the known condition of the
 11 following:
 12 (A) The foundation.
 13 (B) The mechanical systems.
 14 (C) The roof.
 15 (D) The structure.
 16 (E) The water and sewer systems.
 17 (F) Additions that may require improvements to the sewage
 18 disposal system.
 19 (G) Other areas that the Indiana real estate commission
 20 determines are appropriate.
 21 (2) Disclosure by the owner:
 22 (A) of known contamination caused by the manufacture of a
 23 controlled substance on the property; **and**
 24 (B) **that methamphetamine was manufactured on the**
 25 **property.**
 26 **However, the owner is not required to disclose a fact**
 27 **described in clause (A) or (B) if the property that has not** been
 28 certified as decontaminated by an inspector approved under
 29 IC 13-14-1-15.
 30 (3) A notice to the prospective buyer that contains substantially
 31 the following language:
 32 "The prospective buyer and the owner may wish to obtain
 33 professional advice or inspections of the property and provide for
 34 appropriate provisions in a contract between them concerning any
 35 advice, inspections, defects, or warranties obtained on the
 36 property."
 37 (4) A notice to the prospective buyer that contains substantially
 38 the following language:
 39 "The representations in this form are the representations of the
 40 owner and are not the representations of the agent, if any. This
 41 information is for disclosure only and is not intended to be a part
 42 of any contract between the buyer and owner."

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1 (5) A disclosure by the owner that an airport is located within a
 2 geographical distance from the property as determined by the
 3 Indiana real estate commission. The commission may consider the
 4 differences between an airport serving commercial airlines and an
 5 airport that does not serve commercial airlines in determining the
 6 distance to be disclosed.

7 SECTION 3. IC 32-21-6-3 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 3. As used in this
 9 chapter, "psychologically affected property" includes real estate or a
 10 dwelling that is for sale, rent, or lease and to which one (1) or more of
 11 the following facts or a reasonable suspicion of facts apply:

- 12 (1) That an occupant of the property was afflicted with or died
 13 from a disease related to the human immunodeficiency virus
 14 (HIV).
 15 (2) That an individual died on the property.
 16 (3) That the property was the site of:
 17 (A) a felony under IC 35;
 18 (B) criminal gang (as defined in IC 35-45-9-1) activity;
 19 (C) the discharge of a firearm involving a law enforcement
 20 officer while engaged in the officer's official duties; or
 21 (D) the illegal manufacture or distribution of a controlled
 22 substance, **not including the illegal manufacture of**
 23 **methamphetamine.**

24 SECTION 4. IC 32-21-6-6 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 6. **(a)** An owner or
 26 agent is not liable for the refusal to disclose to a transferee:

- 27 (1) that a dwelling or real estate is a psychologically affected
 28 property; or
 29 (2) details concerning the psychologically affected nature of the
 30 dwelling or real estate.

31 However, an owner or agent may not intentionally misrepresent a fact
 32 concerning a psychologically affected property in response to a direct
 33 inquiry from a transferee.

34 **(b) An owner or agent may be liable for refusing to disclose to**
 35 **a transferee that methamphetamine was manufactured on the**
 36 **property of the dwelling or real estate, unless the property has**
 37 **been certified as decontaminated by an inspector approved under**
 38 **IC 13-14-1-15.**

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