



February 19, 2013

SENATE BILL No. 578

DIGEST OF SB 578 (Updated February 14, 2013 12:53 pm - DI 58)

Citations Affected: IC 21-36.

Synopsis: State higher education institutions. Adds Ivy Tech Community College, University of Southern Indiana, and Vincennes University to the law governing the sale of real estate by other state educational institutions. Provides for budget committee review before an agreement between a state educational institution and a third party may be entered into if the agreement is to monetize a capital asset and the agreement has an annual transactional value that exceeds \$1,000,000, a total transactional value that exceeds \$5,000,000, or a term, including the initial term and any renewal terms, that exceeds 10 years.

Effective: Upon passage.

Hershman

January 15, 2013, read first time and referred to Committee on Appropriations.
February 18, 2013, amended, reported favorably — Do Pass.

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SB 578—LS 7426/DI 58+



February 19, 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.

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SENATE BILL No. 578

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

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

- 1 SECTION 1. IC 21-36-3-1, AS ADDED BY P.L.2-2007, SECTION
2 277, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
3 PASSAGE]: Sec. 1. This chapter applies to the following state
4 educational institutions:
5 (1) Indiana University.
6 (2) Purdue University.
7 (3) Indiana State University.
8 (4) Ball State University.
9 (5) **Ivy Tech Community College.**
10 (6) **University of Southern Indiana.**
11 (7) **Vincennes University.**
12 SECTION 2. IC 21-36-4 IS ADDED TO THE INDIANA CODE AS
13 A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE UPON
14 PASSAGE]:
15 **Chapter 4. Monetizing Capital Assets**
16 **Sec. 1. This chapter applies to all state educational institutions.**
17 **Sec. 2. This chapter shall be construed as supplemental to all**

SB 578—LS 7426/DI 58+



1 other statutes governing an agreement regarding a capital asset
2 entered into by a state educational institution.
3 **Sec. 3. As used in this chapter, "monetize" refers to an exchange**
4 **of part or all of the possession and control of a capital asset or**
5 **security of a state educational institution, without a transfer of**
6 **ownership, for a period of time in return for cash or future revenue**
7 **as specified in a written agreement between the state educational**
8 **institution and a third party.**
9 **Sec. 4. Before the board of trustees of a state educational**
10 **institution may enter into an agreement with a third party to**
11 **monetize a capital asset, the agreement must be submitted to the**
12 **budget committee for review, if the agreement will have:**
13 **(1) an annual transactional value that exceeds one million**
14 **dollars (\$1,000,000);**
15 **(2) a total transactional value that exceeds five million dollars**
16 **(\$5,000,000); or**
17 **(3) a term, including the initial term and any renewal terms,**
18 **that exceeds ten (10) years.**
19 **SECTION 3. An emergency is declared for this act.**

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COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 578, 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:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to SB 578 as introduced.)

KENLEY, Chairperson

Committee Vote: Yeas 10, Nays 0.

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