

**CONFERENCE COMMITTEE REPORT  
DIGEST FOR ESB 349**

**Citations Affected:** IC 36-1-14-1.5.

**Synopsis:** Utilities; economic development. Conference committee report for ESB 349. With respect to a municipality that: (1) has a municipally owned utility that has donated funds to a local economic development organization before July 1, 2012; and (2) is a city having a certain population size; adds to the chapter in the Indiana Code concerning donations by local units of government a provision authorizing the municipal legislative body, with the approval of the board of the municipality's municipally owned utility, to donate funds from the municipally owned utility's surplus earnings to a local economic development organization as long as certain obligations of the municipally owned utility are met before the donation is made. **(This conference committee report does the following: (1) Removes provisions concerning a utility system improvement charge (USIC). (2) Adds provisions specifying that the authority of a municipality to donate funds from the municipality's municipally owned utility to a local development organization applies to a municipality that: (A) has a municipally owned utility that has donated funds to a local economic development organization before July 1, 2012; and (B) is a city having a certain population size. (3) Removes a provision specifying that funds donated are for use by a local development organization in maintaining existing infrastructure.)**

**Effective:** July 1, 2013.

# CONFERENCE COMMITTEE REPORT

**MADAM PRESIDENT:**

*Your Conference Committee appointed to confer with a like committee from the House upon Engrossed House Amendments to Engrossed Senate Bill No. 349 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

- 1 Delete the title and insert the following:  
2 A BILL FOR AN ACT to amend the Indiana Code concerning local  
3 government.  
4 Page 1, delete lines 1 through 17, begin a new paragraph and insert:  
5 "SECTION 1. IC 36-1-14-1.5 IS ADDED TO THE INDIANA  
6 CODE AS A NEW SECTION TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2013]: **Sec. 1.5. (a) This section applies to a  
8 municipality that meets both of the following:**  
9 **(1) The municipality has a municipally owned utility that has  
10 donated funds of the municipally owned utility to a local  
11 economic development organization before July 1, 2012.**  
12 **(2) The municipality is a city having a population of more  
13 than eleven thousand (11,000) but less than eleven thousand  
14 four hundred fifty (11,450).**  
15 **(b) As used in this section, "local economic development  
16 organization" includes the following:**  
17 **(1) A nonprofit corporation established under state law whose  
18 primary purpose is the promotion of industrial or business  
19 development in Indiana, the retention or expansion of Indiana  
20 businesses, or the development of entrepreneurial activities in  
21 Indiana.**

- 1           **(2) A nonprofit educational organization whose primary**  
2           **purpose is educating and developing local leadership for**  
3           **economic development initiatives.**  
4           **(3) Any similar organization, including a partnership between**  
5           **private enterprise and one (1) or more units, the purposes of**  
6           **which include:**  
7               **(A) promoting development activities in one (1) or more**  
8               **units;**  
9               **(B) coordinating local efforts to attract jobs and new**  
10              **business investment;**  
11              **(C) providing assistance to existing businesses to foster**  
12              **growth and job retention; and**  
13              **(D) sustaining and improving the quality of life in the units**  
14              **served.**  
15           **(c) A municipal legislative body, with the approval of the board**  
16           **(as defined in IC 8-1.5-3-2) of the municipality's municipally owned**  
17           **utility, may donate funds from the municipally owned utility's**  
18           **surplus earnings (as defined in IC 8-1.5-3-11) to a local economic**  
19           **development organization as long as the terms and conditions of**  
20           **any bond ordinance, resolution, indenture, contract under**  
21           **IC 8-1-2.2, or similar instrument binding upon the municipally**  
22           **owned utility are complied with before the donation is made."**  
23           Delete pages 2 through 5.  
              (Reference is to ESB 349 as reprinted April 9, 2013.)

**Conference Committee Report**  
**on**  
**Engrossed Senate Bill 349**

**S**igned by:

\_\_\_\_\_  
Senator Head  
Chairperson

\_\_\_\_\_  
Representative Friend

\_\_\_\_\_  
Senator Randolph

\_\_\_\_\_  
Representative Pryor

**Senate Conferees**

**House Conferees**