

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 346, 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:

- 1 Page 4, delete lines 8 through 14, begin a new line block indented
2 and insert:
3 **"(28) Subject to prior approval by the fiscal body of the unit**
4 **that established the redevelopment commission, provide**
5 **financial assistance (including grants and loans) to the owner**
6 **of commercial property within a redevelopment project area**
7 **or economic development area designated by the**
8 **redevelopment commission under this chapter, to assist the**
9 **owner in constructing, rehabilitating, or repairing the**
10 **commercial property. Financial assistance approved or**
11 **provided before July 1, 2013, that would have been authorized**
12 **by this subdivision if this subdivision had been in effect when**
13 **the assistance was approved or provided is legalized and**
14 **validated."**
- 15 Page 12, after line 38, begin a new paragraph and insert:
16 "SECTION 3. IC 36-7-15.1-7, AS AMENDED BY P.L.146-2008,
17 SECTION 744, IS AMENDED TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 2013]: Sec. 7. (a) In carrying out its duties and
19 purposes under this chapter, the commission may do the following:
20 (1) Acquire by purchase, exchange, gift, grant, lease, or
21 condemnation, or any combination of methods, any real or

- 1 personal property or interest in property needed for the
- 2 redevelopment of areas needing redevelopment that are located
- 3 within the redevelopment district.
- 4 (2) Hold, use, sell (by conveyance by deed, land sale contract, or
- 5 other instrument), exchange, lease, rent, invest in, or otherwise
- 6 dispose of, through any combination of methods, property
- 7 acquired for use in the redevelopment of areas needing
- 8 redevelopment on the terms and conditions that the commission
- 9 considers best for the city and its inhabitants.
- 10 (3) Acquire from and sell, lease, or grant interests in all or part of
- 11 the real property acquired for redevelopment purposes to any
- 12 other department of the city, or to any other governmental agency,
- 13 for public ways, levees, sewerage, parks, playgrounds, schools,
- 14 and other public purposes, on any terms that may be agreed upon.
- 15 (4) Clear real property acquired for redevelopment purposes.
- 16 (5) Enter on or into, inspect, investigate, and assess real property
- 17 and structures acquired or to be acquired for redevelopment
- 18 purposes to determine the existence, source, nature, and extent of
- 19 any environmental contamination, including the following:
- 20 (A) Hazardous substances.
- 21 (B) Petroleum.
- 22 (C) Other pollutants.
- 23 (6) Remediate environmental contamination, including the
- 24 following, found on any real property or structures acquired for
- 25 redevelopment purposes:
- 26 (A) Hazardous substances.
- 27 (B) Petroleum.
- 28 (C) Other pollutants.
- 29 (7) Repair and maintain structures acquired or to be acquired for
- 30 redevelopment purposes.
- 31 (8) Enter upon, survey, or examine any land, to determine whether
- 32 it should be included within an area needing redevelopment to be
- 33 acquired for redevelopment purposes, and determine the value of
- 34 that land.
- 35 (9) Appear before any other department or agency of the city, or
- 36 before any other governmental agency in respect to any matter
- 37 affecting:
- 38 (A) real property acquired or being acquired for
- 39 redevelopment purposes; or
- 40 (B) any area needing redevelopment within the jurisdiction of
- 41 the commission.
- 42 (10) Subject to section 13 of this chapter, exercise the power of

- 1 eminent domain in the name of the city, within the redevelopment
 2 district, in the manner prescribed by this chapter.
- 3 (11) Establish a uniform fee schedule whenever appropriate for
 4 the performance of governmental assistance, or for providing
 5 materials and supplies to private persons in project or program
 6 related activities.
- 7 (12) Expend, on behalf of the redevelopment district, all or any
 8 part of the money available for the purposes of this chapter.
- 9 (13) Contract for the construction, extension, or improvement of
 10 pedestrian skyways.
- 11 (14) Accept loans, grants, and other forms of financial assistance
 12 from the federal government, the state government, a municipal
 13 corporation, a special taxing district, a foundation, or any other
 14 source.
- 15 (15) Provide financial assistance (including grants and loans) to
 16 enable individuals and families to purchase or lease residential
 17 units within the district. However, financial assistance may be
 18 provided only to those individuals and families whose income is
 19 at or below the county's median income for individuals and
 20 families, respectively.
- 21 (16) Provide financial assistance (including grants and loans) to
 22 neighborhood development corporations to permit them to:
- 23 (A) provide financial assistance for the purposes described in
 24 subdivision (15); or
- 25 (B) construct, rehabilitate, or repair commercial property
 26 within the district.
- 27 (17) Require as a condition of financial assistance to the owner of
 28 a multiunit residential structure that any of the units leased by the
 29 owner must be leased:
- 30 (A) for a period to be determined by the commission, which
 31 may not be less than five (5) years;
- 32 (B) to families whose income does not exceed eighty percent
 33 (80%) of the county's median income for families; and
- 34 (C) at an affordable rate.
- 35 Conditions imposed by the commission under this subdivision
 36 remain in force throughout the period determined under clause
 37 (A), even if the owner sells, leases, or conveys the property. The
 38 subsequent owner or lessee is bound by the conditions for the
 39 remainder of the period.
- 40 (18) Provide programs in job training, job enrichment, and basic
 41 skill development for residents of an enterprise zone.
- 42 (19) Provide loans and grants for the purpose of stimulating

1 business activity in an enterprise zone or providing employment
2 for residents of an enterprise zone.

3 (20) Contract for the construction, extension, or improvement of:

4 (A) public ways, sidewalks, sewers, waterlines, parking
5 facilities, park or recreational areas, or other local public
6 improvements (as defined in IC 36-7-15.3-6) or structures that
7 are necessary for redevelopment of areas needing
8 redevelopment or economic development within the
9 redevelopment district; or

10 (B) any structure that enhances development or economic
11 development.

12 **(21) Subject to prior approval by the fiscal body of the unit**
13 **that established the redevelopment commission, provide**
14 **financial assistance (including grants and loans) to the owner**
15 **of commercial property within a redevelopment project area**
16 **or economic development area designated by the**
17 **redevelopment commission under this chapter, to assist the**
18 **owner in constructing, rehabilitating, or repairing the**
19 **commercial property.**

20 (b) In addition to its powers under subsection (a), the commission
21 may plan and undertake, alone or in cooperation with other agencies,
22 projects for the redevelopment of, rehabilitating, preventing the spread
23 of, or eliminating slums or areas needing redevelopment, both
24 residential and nonresidential, which projects may include any of the
25 following:

26 (1) The repair or rehabilitation of buildings or other
27 improvements by the commission, owners, or tenants.

28 (2) The acquisition of real property.

29 (3) Either of the following with respect to environmental
30 contamination on real property:

31 (A) Investigation.

32 (B) Remediation.

33 (4) The demolition and removal of buildings or improvements on
34 buildings acquired by the commission where necessary for any of
35 the following:

36 (A) To eliminate unhealthful, unsanitary, or unsafe conditions.

37 (B) To mitigate or eliminate environmental contamination.

38 (C) To lessen density.

39 (D) To reduce traffic hazards.

40 (E) To eliminate obsolete or other uses detrimental to public
41 welfare.

42 (F) To otherwise remove or prevent the conditions described

1 in IC 36-7-1-3.

2 (G) To provide land for needed public facilities.

3 (5) The preparation of sites and the construction of improvements
4 (such as public ways and utility connections) to facilitate the sale
5 or lease of property.

6 (6) The construction of buildings or facilities for residential,
7 commercial, industrial, public, or other uses.

8 (7) The disposition in accordance with this chapter, for uses in
9 accordance with the plans for the projects, of any property
10 acquired in connection with the projects.

11 (c) The commission may use its powers under this chapter relative
12 to real property and interests in real property obtained by voluntary sale
13 or transfer, even though the real property and interests in real property
14 are not located in a redevelopment or urban renewal project area
15 established by the adoption and confirmation of a resolution under
16 sections 8(c), 9, 10, and 11 of this chapter. In acquiring real property
17 and interests in real property outside of a redevelopment or urban
18 renewal project area, the commission shall comply with section 12(b)
19 through 12(e) of this chapter. The commission shall hold, develop, use,
20 and dispose of this real property and interests in real property
21 substantially in accordance with section 15 of this chapter.

22 (d) As used in this section, "pedestrian skyway" means a pedestrian
23 walkway within or outside of the public right-of-way and through and
24 above public or private property and buildings, including all structural
25 supports required to connect skyways to buildings or buildings under
26 construction. Pedestrian skyways constructed, extended, or improved
27 over or through public or private property constitute public property
28 and public improvements, constitute a public use and purpose, and do
29 not require vacation of any public way or other property.

30 (e) All powers that may be exercised under this chapter by the
31 commission may also be exercised by the commission in carrying out
32 its duties and purposes under IC 36-7-15.3.

33 SECTION 4. IC 36-7-15.1-26, AS AMENDED BY P.L.112-2012,
34 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2013]: Sec. 26. (a) As used in this section:

36 "Allocation area" means that part of a redevelopment project area
37 to which an allocation provision of a resolution adopted under section
38 8 of this chapter refers for purposes of distribution and allocation of
39 property taxes.

40 "Base assessed value" means the following:

41 (1) If an allocation provision is adopted after June 30, 1995, in a
42 declaratory resolution or an amendment to a declaratory

- 1 resolution establishing an economic development area:
- 2 (A) the net assessed value of all the property as finally
- 3 determined for the assessment date immediately preceding the
- 4 effective date of the allocation provision of the declaratory
- 5 resolution, as adjusted under subsection (h); plus
- 6 (B) to the extent that it is not included in clause (A), the net
- 7 assessed value of property that is assessed as residential
- 8 property under the rules of the department of local government
- 9 finance, as finally determined for any assessment date after the
- 10 effective date of the allocation provision.
- 11 (2) If an allocation provision is adopted after June 30, 1997, in a
- 12 declaratory resolution or an amendment to a declaratory
- 13 resolution establishing a redevelopment project area:
- 14 (A) the net assessed value of all the property as finally
- 15 determined for the assessment date immediately preceding the
- 16 effective date of the allocation provision of the declaratory
- 17 resolution, as adjusted under subsection (h); plus
- 18 (B) to the extent that it is not included in clause (A), the net
- 19 assessed value of property that is assessed as residential
- 20 property under the rules of the department of local government
- 21 finance, as finally determined for any assessment date after the
- 22 effective date of the allocation provision.
- 23 (3) If:
- 24 (A) an allocation provision adopted before June 30, 1995, in
- 25 a declaratory resolution or an amendment to a declaratory
- 26 resolution establishing a redevelopment project area expires
- 27 after June 30, 1997; and
- 28 (B) after June 30, 1997, a new allocation provision is included
- 29 in an amendment to the declaratory resolution;
- 30 the net assessed value of all the property as finally determined for
- 31 the assessment date immediately preceding the effective date of
- 32 the allocation provision adopted after June 30, 1997, as adjusted
- 33 under subsection (h).
- 34 (4) Except as provided in subdivision (5), for all other allocation
- 35 areas, the net assessed value of all the property as finally
- 36 determined for the assessment date immediately preceding the
- 37 effective date of the allocation provision of the declaratory
- 38 resolution, as adjusted under subsection (h).
- 39 (5) If an allocation area established in an economic development
- 40 area before July 1, 1995, is expanded after June 30, 1995, the
- 41 definition in subdivision (1) applies to the expanded part of the
- 42 area added after June 30, 1995.

1 (6) If an allocation area established in a redevelopment project
2 area before July 1, 1997, is expanded after June 30, 1997, the
3 definition in subdivision (2) applies to the expanded part of the
4 area added after June 30, 1997.

5 Except as provided in section 26.2 of this chapter, "property taxes"
6 means taxes imposed under IC 6-1.1 on real property. However, upon
7 approval by a resolution of the redevelopment commission adopted
8 before June 1, 1987, "property taxes" also includes taxes imposed
9 under IC 6-1.1 on depreciable personal property. If a redevelopment
10 commission adopted before June 1, 1987, a resolution to include within
11 the definition of property taxes taxes imposed under IC 6-1.1 on
12 depreciable personal property that has a useful life in excess of eight
13 (8) years, the commission may by resolution determine the percentage
14 of taxes imposed under IC 6-1.1 on all depreciable personal property
15 that will be included within the definition of property taxes. However,
16 the percentage included must not exceed twenty-five percent (25%) of
17 the taxes imposed under IC 6-1.1 on all depreciable personal property.

18 (b) A resolution adopted under section 8 of this chapter on or before
19 the allocation deadline determined under subsection (i) may include a
20 provision with respect to the allocation and distribution of property
21 taxes for the purposes and in the manner provided in this section. A
22 resolution previously adopted may include an allocation provision by
23 the amendment of that resolution on or before the allocation deadline
24 determined under subsection (i) in accordance with the procedures
25 required for its original adoption. A declaratory resolution or an
26 amendment that establishes an allocation provision after June 30, 1995,
27 must specify an expiration date for the allocation provision. For an
28 allocation area established before July 1, 2008, the expiration date may
29 not be more than thirty (30) years after the date on which the allocation
30 provision is established. For an allocation area established after June
31 30, 2008, the expiration date may not be more than twenty-five (25)
32 years after the date on which the first obligation was incurred to pay
33 principal and interest on bonds or lease rentals on leases payable from
34 tax increment revenues. However, with respect to bonds or other
35 obligations that were issued before July 1, 2008, if any of the bonds or
36 other obligations that were scheduled when issued to mature before the
37 specified expiration date and that are payable only from allocated tax
38 proceeds with respect to the allocation area remain outstanding as of
39 the expiration date, the allocation provision does not expire until all of
40 the bonds or other obligations are no longer outstanding. The allocation
41 provision may apply to all or part of the redevelopment project area.
42 The allocation provision must require that any property taxes

1 subsequently levied by or for the benefit of any public body entitled to
2 a distribution of property taxes on taxable property in the allocation
3 area be allocated and distributed as follows:

4 (1) Except as otherwise provided in this section, the proceeds of
5 the taxes attributable to the lesser of:

6 (A) the assessed value of the property for the assessment date
7 with respect to which the allocation and distribution is made;
8 or

9 (B) the base assessed value;

10 shall be allocated to and, when collected, paid into the funds of
11 the respective taxing units.

12 (2) The excess of the proceeds of the property taxes imposed for
13 the assessment date with respect to which the allocation and
14 distribution is made that are attributable to taxes imposed after
15 being approved by the voters in a referendum or local public
16 question conducted after April 30, 2010, not otherwise included
17 in subdivision (1) shall be allocated to and, when collected, paid
18 into the funds of the taxing unit for which the referendum or local
19 public question was conducted.

20 (3) Except as otherwise provided in this section, property tax
21 proceeds in excess of those described in subdivisions (1) and (2)
22 shall be allocated to the redevelopment district and, when
23 collected, paid into a special fund for that allocation area that may
24 be used by the redevelopment district only to do one (1) or more
25 of the following:

26 (A) Pay the principal of and interest on any obligations
27 payable solely from allocated tax proceeds that are incurred by
28 the redevelopment district for the purpose of financing or
29 refinancing the redevelopment of that allocation area.

30 (B) Establish, augment, or restore the debt service reserve for
31 bonds payable solely or in part from allocated tax proceeds in
32 that allocation area.

33 (C) Pay the principal of and interest on bonds payable from
34 allocated tax proceeds in that allocation area and from the
35 special tax levied under section 19 of this chapter.

36 (D) Pay the principal of and interest on bonds issued by the
37 consolidated city to pay for local public improvements that are
38 physically located in or physically connected to that allocation
39 area.

40 (E) Pay premiums on the redemption before maturity of bonds
41 payable solely or in part from allocated tax proceeds in that
42 allocation area.

- 1 (F) Make payments on leases payable from allocated tax
 2 proceeds in that allocation area under section 17.1 of this
 3 chapter.
- 4 (G) Reimburse the consolidated city for expenditures for local
 5 public improvements (which include buildings, parking
 6 facilities, and other items set forth in section 17 of this
 7 chapter) that are physically located in or physically connected
 8 to that allocation area.
- 9 (H) Reimburse the unit for rentals paid by it for a building or
 10 parking facility that is physically located in or physically
 11 connected to that allocation area under any lease entered into
 12 under IC 36-1-10.
- 13 (I) Reimburse public and private entities for expenses incurred
 14 in training employees of industrial facilities that are located:
 15 (i) in the allocation area; and
 16 (ii) on a parcel of real property that has been classified as
 17 industrial property under the rules of the department of local
 18 government finance.
- 19 However, the total amount of money spent for this purpose in
 20 any year may not exceed the total amount of money in the
 21 allocation fund that is attributable to property taxes paid by the
 22 industrial facilities described in this clause. The
 23 reimbursements under this clause must be made within three
 24 (3) years after the date on which the investments that are the
 25 basis for the increment financing are made.
- 26 (J) Pay the costs of carrying out an eligible efficiency project
 27 (as defined in IC 36-9-41-1.5) within the unit that established
 28 the redevelopment commission. However, property tax
 29 proceeds may be used under this clause to pay the costs of
 30 carrying out an eligible efficiency project only if those
 31 property tax proceeds exceed the amount necessary to do the
 32 following:
- 33 (i) Make, when due, any payments required under clauses
 34 (A) through (I), including any payments of principal and
 35 interest on bonds and other obligations payable under this
 36 subdivision, any payments of premiums under this
 37 subdivision on the redemption before maturity of bonds, and
 38 any payments on leases payable under this subdivision.
- 39 (ii) Make any reimbursements required under this
 40 subdivision.
- 41 (iii) Pay any expenses required under this subdivision.
- 42 (iv) Establish, augment, or restore any debt service reserve

1 under this subdivision.

2 **(K) Provide financial assistance under section 7(a)(21) of**
 3 **this chapter.**

4 The special fund may not be used for operating expenses of the
 5 commission.

6 (4) Before July 15 of each year, the commission shall do the
 7 following:

8 (A) Determine the amount, if any, by which the assessed value
 9 of the taxable property in the allocation area for the most
 10 recent assessment date minus the base assessed value, when
 11 multiplied by the estimated tax rate of the allocation area will
 12 exceed the amount of assessed value needed to provide the
 13 property taxes necessary to make, when due, principal and
 14 interest payments on bonds described in subdivision (3) plus
 15 the amount necessary for other purposes described in
 16 subdivision (3) and subsection (g).

17 (B) Provide a written notice to the county auditor, the
 18 legislative body of the consolidated city, and the officers who
 19 are authorized to fix budgets, tax rates, and tax levies under
 20 IC 6-1.1-17-5 for each of the other taxing units that is wholly
 21 or partly located within the allocation area. The notice must:

22 (i) state the amount, if any, of excess assessed value that the
 23 commission has determined may be allocated to the
 24 respective taxing units in the manner prescribed in
 25 subdivision (1); or

26 (ii) state that the commission has determined that there is no
 27 excess assessed value that may be allocated to the respective
 28 taxing units in the manner prescribed in subdivision (1).

29 The county auditor shall allocate to the respective taxing units
 30 the amount, if any, of excess assessed value determined by the
 31 commission. The commission may not authorize an allocation
 32 to the respective taxing units under this subdivision if to do so
 33 would endanger the interests of the holders of bonds described
 34 in subdivision (3).

35 (c) For the purpose of allocating taxes levied by or for any taxing
 36 unit or units, the assessed value of taxable property in a territory in the
 37 allocation area that is annexed by any taxing unit after the effective
 38 date of the allocation provision of the resolution is the lesser of:

39 (1) the assessed value of the property for the assessment date with
 40 respect to which the allocation and distribution is made; or

41 (2) the base assessed value.

42 (d) Property tax proceeds allocable to the redevelopment district

1 under subsection (b)(3) may, subject to subsection (b)(4), be
2 irrevocably pledged by the redevelopment district for payment as set
3 forth in subsection (b)(3).

4 (e) Notwithstanding any other law, each assessor shall, upon
5 petition of the commission, reassess the taxable property situated upon
6 or in, or added to, the allocation area, effective on the next assessment
7 date after the petition.

8 (f) Notwithstanding any other law, the assessed value of all taxable
9 property in the allocation area, for purposes of tax limitation, property
10 tax replacement, and formulation of the budget, tax rate, and tax levy
11 for each political subdivision in which the property is located is the
12 lesser of:

13 (1) the assessed value of the property as valued without regard to
14 this section; or

15 (2) the base assessed value.

16 (g) If any part of the allocation area is located in an enterprise zone
17 created under IC 5-28-15, the unit that designated the allocation area
18 shall create funds as specified in this subsection. A unit that has
19 obligations, bonds, or leases payable from allocated tax proceeds under
20 subsection (b)(3) shall establish an allocation fund for the purposes
21 specified in subsection (b)(3) and a special zone fund. Such a unit
22 shall, until the end of the enterprise zone phase out period, deposit each
23 year in the special zone fund the amount in the allocation fund derived
24 from property tax proceeds in excess of those described in subsection
25 (b)(1) and (b)(2) from property located in the enterprise zone that
26 exceeds the amount sufficient for the purposes specified in subsection
27 (b)(3) for the year. A unit that has no obligations, bonds, or leases
28 payable from allocated tax proceeds under subsection (b)(3) shall
29 establish a special zone fund and deposit all the property tax proceeds
30 in excess of those described in subsection (b)(1) and (b)(2) in the fund
31 derived from property tax proceeds in excess of those described in
32 subsection (b)(1) and (b)(2) from property located in the enterprise
33 zone. The unit that creates the special zone fund shall use the fund,
34 based on the recommendations of the urban enterprise association, for
35 one (1) or more of the following purposes:

36 (1) To pay for programs in job training, job enrichment, and basic
37 skill development designed to benefit residents and employers in
38 the enterprise zone. The programs must reserve at least one-half
39 (1/2) of the enrollment in any session for residents of the
40 enterprise zone.

41 (2) To make loans and grants for the purpose of stimulating
42 business activity in the enterprise zone or providing employment

1 for enterprise zone residents in the enterprise zone. These loans
2 and grants may be made to the following:

3 (A) Businesses operating in the enterprise zone.

4 (B) Businesses that will move their operations to the enterprise
5 zone if such a loan or grant is made.

6 (3) To provide funds to carry out other purposes specified in
7 subsection (b)(3). However, where reference is made in
8 subsection (b)(3) to the allocation area, the reference refers for
9 purposes of payments from the special zone fund only to that part
10 of the allocation area that is also located in the enterprise zone.

11 (h) The state board of accounts and department of local government
12 finance shall make the rules and prescribe the forms and procedures
13 that they consider expedient for the implementation of this chapter.
14 After each general reassessment of real property in an area under
15 IC 6-1.1-4-4 and after each reassessment under a reassessment plan
16 prepared under IC 6-1.1-4-4.2, the department of local government
17 finance shall adjust the base assessed value one (1) time to neutralize
18 any effect of the reassessment of the real property in the area on the
19 property tax proceeds allocated to the redevelopment district under this
20 section. After each annual adjustment under IC 6-1.1-4-4.5, the
21 department of local government finance shall adjust the base assessed
22 value to neutralize any effect of the annual adjustment on the property
23 tax proceeds allocated to the redevelopment district under this section.
24 However, the adjustments under this subsection may not include the
25 effect of property tax abatements under IC 6-1.1-12.1, and these
26 adjustments may not produce less property tax proceeds allocable to
27 the redevelopment district under subsection (b)(3) than would
28 otherwise have been received if the general reassessment, reassessment
29 under the reassessment plan, or annual adjustment had not occurred.
30 The department of local government finance may prescribe procedures
31 for county and township officials to follow to assist the department in
32 making the adjustments.

33 (i) The allocation deadline referred to in subsection (b) is
34 determined in the following manner:

35 (1) The initial allocation deadline is December 31, 2011.

36 (2) Subject to subdivision (3), the initial allocation deadline and
37 subsequent allocation deadlines are automatically extended in
38 increments of five (5) years, so that allocation deadlines
39 subsequent to the initial allocation deadline fall on December 31,
40 2016, and December 31 of each fifth year thereafter.

41 (3) At least one (1) year before the date of an allocation deadline
42 determined under subdivision (2), the general assembly may enact

- 1 a law that:
 - 2 (A) terminates the automatic extension of allocation deadlines
 - 3 under subdivision (2); and
 - 4 (B) specifically designates a particular date as the final
 - 5 allocation deadline."
 - 6 Renumber all SECTIONS consecutively.
- (Reference is to SB 346 as introduced.)

and when so amended that said bill do pass .

Committee Vote: Yeas 11, Nays 0.

Senator Hershman, Chairperson