

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:

- 1 Page 11, line 8, delete "October" and insert "**August**".
- 2 Page 11, line 9, delete "the later of:" and insert "**January 1 of the**
- 3 **following year.**".
- 4 Page 11, delete lines 10 through 11.
- 5 Page 23, line 25, delete "36-9.1-1-7):" and insert "**36-9.1-1-8)**".
- 6 Page 30, line 1, after "board of" insert "**the**".
- 7 Page 30, line 19, delete "(a)" and insert "**(b)**".
- 8 Page 33, line 38, after "of" insert ":" .
- 9 Page 33, line 38, before "the" begin a new line double block
- 10 indented and insert:
- 11 "**(A)**".
- 12 Page 33, line 38, after "corporation" insert ";".
- 13 Page 33, between lines 38 and 39, begin a new line double block
- 14 indented and insert:
- 15 "**(B) the Speedway public transportation corporation;**".
- 16 Page 33, line 39, delete "its" and insert "**and of either**
- 17 **corporation's**".
- 18 Page 34, line 4, delete "is" and insert "**and the Speedway public**
- 19 **transportation corporation are**".
- 20 Page 34, line 7, delete "for the" and insert "**for each of these**".

- 1 Page 34, line 8, delete "corporation" and insert "**corporations**".
- 2 Page 34, line 23, after "directors" insert "**and the Speedway public**
- 3 **transportation corporation and its board of directors**".
- 4 Page 34, delete lines 26 through 36, begin a new line block indented
- 5 and insert:
- 6 **"(4) Upon the transfer of powers and duties to the**
- 7 **metropolitan transit district as provided in subdivision (1), the**
- 8 **boards of directors of the Indianapolis public transportation**
- 9 **corporation and the Speedway public transportation**
- 10 **corporation:**
- 11 **(A) are no longer the governing bodies of the public**
- 12 **transportation corporation;**
- 13 **(B) shall serve as an advisory board to the metropolitan**
- 14 **transit district for the first six (6) months after the**
- 15 **metropolitan transit district is established; and**
- 16 **(C) are abolished at the end of the six (6) month period**
- 17 **described in clause (B)."**
- 18 Page 34, line 38, after "corporation" insert "**and the Speedway**
- 19 **public transportation corporation**".
- 20 Page 35, line 17, after "adopted." insert "**The ordinance that**
- 21 **provides for the proposed budget and proposed tax levy is subject**
- 22 **to the veto of the executive of the consolidated city and county**
- 23 **under IC 36-3-4.**".
- 24 Page 40, line 28, delete "county," and insert "**district,**".
- 25 Page 44, line 2, delete "combination" and insert "**combinations**".
- 26 Page 51, between lines 16 and 17, begin a new line block indented
- 27 and insert:
- 28 **"(3) Borrow, make guaranties, issue bonds, debentures, or**
- 29 **notes, or incur indebtedness for operating capital, except for**
- 30 **warrants issued in anticipation of tax collections for the year**
- 31 **in which the warrant is issued.**".
- 32 Page 52, line 5, after "state aid" insert "**, including federal or state**
- 33 **aid for public mass transit,**".
- 34 Page 53, line 13, after "17." insert "**(a)**".
- 35 Page 53, line 15, after "board." insert "**The district may invest**
- 36 **funds only in accordance with IC 5-13-9.**".
- 37 Page 53, between lines 15 and 16, begin a new paragraph and insert:
- 38 **"(b) The district board shall make a written report to the**
- 39 **Marion County board of finance summarizing the district's**
- 40 **investments during the previous calendar year in the same manner**
- 41 **as required by IC 5-13-7-7.**".
- 42 Page 53, delete lines 38 through 41.

- 1 Page 53, line 42, delete "24." and insert "23."
 2 Page 54, line 3, delete "25." and insert "24."
 3 Page 54, delete lines 6 through 8.
 4 Page 54, between lines 18 and 19, begin a new paragraph and insert:
 5 **"Sec. 2. The board shall adopt a comprehensive set of financial**
 6 **policies that include the following:**
 7 (1) **An operating cost growth policy to control the annual**
 8 **increase in the system unit cost of service relative to the rate**
 9 **of inflation for transportation services as identified by the**
 10 **United States Department of Labor, Bureau of Labor**
 11 **Statistics.**
 12 (2) **A fare revenue policy that provides for regular review and**
 13 **adjustment of fare levels to ensure that fare revenues reflect**
 14 **an appropriate contribution by riders to the cost of operating**
 15 **the transit system, including establishing a specific ratio of**
 16 **fare revenues to operating expenses.**
 17 (3) **An operating reserve policy to set minimum annual**
 18 **operating balances.**
 19 (4) **A resource allocation policy to establish long term criteria**
 20 **for allocating money between operations and capital**
 21 **expenditures to ensure stable service delivery, proper**
 22 **maintenance of assets, and prudent capital improvement**
 23 **projects.**
 24 (5) **A comprehensive debt management policy that establishes,**
 25 **among other provisions:**
 26 (A) **a prudent net debt service coverage ratio; and**
 27 (B) **an annual fund balance requirement.**
 28 (6) **A cash management policy, including investment criteria**
 29 **for cash and fund balances.**
 30 **Sec. 3. The board shall adopt a comprehensive set of service**
 31 **management policies that include the following:**
 32 (1) **Service performance measures and standards to ensure**
 33 **cost-effective and cost-efficient service delivery.**
 34 (2) **System and route level service measures.**
 35 (3) **Standards for productivity, cost effectiveness and**
 36 **efficiency.**
 37 (4) **Risk management and safety policies."**
 38 Page 54, line 19, delete "2." and insert "4."
 39 Page 54, line 21, delete "3." and insert "5."
 40 Page 54, line 27, delete "4." and insert "6."
 41 Page 54, line 28, delete "The chief executive".
 42 Page 54, delete lines 29 through 30.

- 1 Page 54, line 31, delete "5." and insert "7."
 2 Page 54, line 33, delete "6." and insert "8."
 3 Page 55, line 2, delete "7." and insert "9."
 4 Page 60, between lines 8 and 9, begin a new paragraph and insert:
 5 **"Sec. 7. The board shall report annually at a public meeting on**
 6 **its operating performance, its financial results, and the overall**
 7 **status of implementing the regional public transportation plan and**
 8 **projects."**
 9 Page 61, line 8, after "to" insert "**subsection (b) and**".
 10 Page 61, between lines 38 and 39, begin a new paragraph and insert:
 11 **"(b) The district may not:**
 12 **(1) borrow, make guaranties, issue bonds, debentures, or**
 13 **notes, or incur indebtedness to provide operating capital,**
 14 **except for warrants issued in anticipation of tax collections**
 15 **for the year in which the warrant is issued; or**
 16 **(2) impose any tax."**
 17 Page 61, line 39, delete "(b)" and insert "(c)".
 18 Page 62, line 5, delete "(c)" and insert "(d)".
 19 Page 62, line 7, delete "(d)" and insert "(e)".
 20 Page 62, line 10, delete "(e)" and insert "(f)".
 21 Page 65, line 42, delete "for the" and insert "**for the:**
 22 **(1) capital expenses; and**
 23 **(2) except as provided in IC 36-9.1-12-1(b), operating**
 24 **expenses;"**.
 25 Page 66, line 1, delete "capital and operating expenses".
 26 Page 66, line 3, after "plan." insert "**Money received by the district**
 27 **from property tax revenue must be expended for projects within**
 28 **the district."**

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

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

Committee Vote: Yeas 7, Nays 2.

Senator Head, Chairperson