

IC 5-1.5-3

Chapter 3. Powers and Duties

IC 5-1.5-3-1

Powers

Sec. 1. The bank is granted all powers necessary, convenient, or appropriate to carry out and effectuate its public and corporate purposes, including, but not limited to, the following:

- (1) Have a perpetual existence as a body politic and corporate, and an independent instrumentality, but not a state agency, exercising essential public functions.
- (2) Sue and be sued.
- (3) Adopt and alter an official seal.
- (4) Make and enforce bylaws and rules for the conduct of its business and for the use of its services and facilities, which bylaws and rules may be adopted by the bank without complying with IC 4-22-2.
- (5) Acquire, hold, use, and dispose of its income, revenues, funds, and money.
- (6) Acquire, rent, lease, hold, use, and dispose of property for its purposes.
- (7) Make contracts and incur liabilities, borrow money, issue its negotiable bonds or notes, subject to provisions for registration of negotiable bonds and notes, and provide for and secure their payment and provide for the rights of their holders, and purchase and hold and dispose of any of its bonds or notes.
- (8) Fix and revise from time to time and charge and collect fees and charges for the use of its services or facilities.
- (9) Accept gifts or grants of property, funds, money, materials, labor, supplies, or services from the United States, any governmental unit, or any person, carry out the terms or provisions or make agreements with respect to the gifts or grants, and do all things necessary, useful, desirable, or convenient in connection with procuring, accepting, or disposing of the gifts or grants.
- (10) Do anything authorized by this article, through its officers, agents, or employees or by contracts with a person.
- (11) Procure insurance against any losses in connection with its property, operations, or assets in amounts and from insurers as it considers desirable.
- (12) Cooperate with and exchange services, personnel, and information with any federal, state, or local government agency.

As added by P.L.25-1984, SEC.1. Amended by P.L.43-1985, SEC.6; P.L.46-1987, SEC.6.

IC 5-1.5-3-2

Duties

Sec. 2. The bank may:

- (1) make, enter into, and enforce all contracts necessary, convenient, or desirable for the purposes of the bank or

pertaining to:

- (A) a loan to or a lease or an agreement with a qualified entity;
 - (B) a purchase, acquisition, or sale of securities or other investments; or
 - (C) the performance of its duties and execution of any of its powers under this article;
- (2) purchase, acquire, or hold securities or other investments for the bank's own account or for a qualified entity at prices and in a manner the bank considers advisable, and sell or otherwise dispose of those securities or investments at prices without relation to cost and in a manner the bank considers advisable;
- (3) prescribe the form of application or procedure required of a qualified entity for a loan or purchase of its securities, fix the terms and conditions of the loan or purchase, and enter into agreements with qualified entities with respect to loans or purchases;
- (4) render services to a qualified entity in connection with a public or private sale of its securities, including advisory and other services, and charge for services rendered;
- (5) charge for its costs and services in review or consideration of a proposed loan to a qualified entity or purchase by the bank of securities, whether the loan is made or the securities purchased;
- (6) fix and establish terms and provisions with respect to:
- (A) a purchase of securities by the bank, including date and maturities of the securities;
 - (B) redemption or payment before maturity; and
 - (C) any other matters that in connection with the purchase are necessary, desirable, or advisable in the judgment of the bank;
- (7) to the extent permitted under its contracts with the holders of bonds or notes of the bank, consent to modification of the rate of interest, time, and payment of installment of principal or interest, security, or any other term of a bond or note, contract, or agreement of any kind to which the bank is a party;
- (8) appoint and employ general or special counsel, accountants, financial advisors or experts, and all such other or different officers, agents, and employees as it requires and determine their qualifications, duties, and compensation, all in order to effectuate the purposes of this article;
- (9) in connection with the purchase of any securities, consider the need, desirability, or eligibility of the securities, the ability of the qualified entity to secure financing from other sources and the costs thereof, and the particular public improvement or purpose to be financed or refinanced with the proceeds of the securities to be purchased by the bank; and
- (10) acquire, hold, and lease or sell property to a qualified entity. The lease or sale under this subdivision may be made under a financing lease, lease with option to purchase,

conditional sales contract, or any other form of agreement, upon the terms and conditions that the board considers advisable in order to promote the purpose of this article.

The bank shall not be considered to have engaged in any acts prohibited by this chapter in performing any duty or exercising any power described in this section.

As added by P.L.25-1984, SEC.1. Amended by P.L.43-1985, SEC.7; P.L.46-1987, SEC.7; P.L.29-1992, SEC.1.

IC 5-1.5-3-3

Investments

Sec. 3. Money not being used to purchase securities may be temporarily invested and reinvested pending the disbursements of that money as provided in a resolution of the bank or in a trust agreement entered into by the bank under IC 5-1.5-4-8.

As added by P.L.25-1984, SEC.1. Amended by P.L.43-1985, SEC.8.

IC 5-1.5-3-4

Prohibited acts

Sec. 4. The bank may not:

- (1) lend money other than to a qualified entity;
- (2) purchase securities other than:
 - (A) a security to which a qualified entity is a party as issuer, borrower, or lessee; or
 - (B) an investment under section 3 of this chapter;
- (3) deal in securities within the meaning of or subject to any securities law, securities exchange law, or securities dealers law of the United States of America or of the state or of any other state or jurisdiction, domestic or foreign, except as authorized in this article;
- (4) emit bills of credit, or accept deposits of money for time or demand deposit, or administer trusts, or engage in any form or manner, or in the conduct of, any private or commercial banking business, or act as a savings bank or savings association, or any other kind of financial institution; or
- (5) engage in any form of private or commercial banking business.

As added by P.L.25-1984, SEC.1. Amended by P.L.46-1987, SEC.8; P.L.79-1998, SEC.6.

IC 5-1.5-3-5

Audit of books and accounts; costs; copy; annual report to governor

Sec. 5. (a) The bank shall have an audit of its books and accounts made at least once in each year by a certified public accounting firm or the state board of accounts. If the audit is to be conducted by a certified public accounting firm, the firm may not be selected without a review of the firm's proposal and approval of the firm by the state board of accounts. The cost of the audit shall be considered an expense of the bank, and a copy of the audit shall be made available

to the public.

(b) The bank shall submit a report of its activities for each fiscal year to the governor before November 1 of the calendar year in which the bank's fiscal year ends. Each report shall set forth a complete operating and financial statement covering its operations during that fiscal year.

As added by P.L.25-1984, SEC.1. Amended by P.L.43-1985, SEC.9; P.L.46-1987, SEC.9.

IC 5-1.5-3-6

Annual budget

Sec. 6. The board shall adopt, on either a calendar or fiscal year basis, an annual budget, which may be amended from time to time during the year.

As added by P.L.25-1984, SEC.1. Amended by P.L.43-1985, SEC.10.

IC 5-1.5-3-7

Expenses

Sec. 7. All expenses incurred in carrying out this article are payable solely from revenues of the bank or funds appropriated under this article and nothing in this article authorizes the bank to incur an indebtedness or liability on behalf of or payable by the state.

As added by P.L.25-1984, SEC.1. Amended by P.L.43-1985, SEC.11.

IC 5-1.5-3-8

Public meetings; records

Sec. 8. All meetings of the bank shall be open to the public in accordance with and subject to the limitations of IC 5-14-1.5. All records of the bank shall be subject to the requirements of IC 5-14-3.

As added by P.L.25-1984, SEC.1.