Journal of the House

State of Indiana

116th General Assembly First Regular Session

Twenty-first Meeting Day **Thursday Morning** **February 19, 2009**

The invocation was offered by Pastor Bill Jenkins, Church of Acts, Indianapolis.

The Pledge of Allegiance to the Flag was led by Representative David L. Niezgodski.

The House convened at 10:00 a.m. with Speaker B. Patrick Bauer in the Chair.

The Speaker ordered the roll of the House to be called:

Austin
Avery
Bardon
Barnes
Bartlett
Battles
Behning
Bell
Bischoff
Blanton
Borders
Borror
Bosma
C. Brown
T. Brown
Burton
Candelaria Reardon
Cheatham
Cherry
Clements
Clere
Crawford
Crouch ⏏
Culver
Davis
Day
DeLaney
Dembowski
Dermody
Dobis
Dodge
Duncan
Dvorak
Eberhart
Espich
Foley
Friend
Frizzell
Fry
GiaQuinta
Goodin
Grubb ⏏
Gutwein
Harris
Herrell
Hinkle
Kersey
Klinker
Knollman
Koch
L. Lawson
Lehe
Lehman
Leonard
Lutz
McClain
Messmer
Michael
Moseley
Moses
Murphy
Neese
Niezgodski
Noe
Oxley
Pearson
Pelath
Pflum
Pierce
Pond
Porter
Pryor
Reske
Richardson
Riecken
Robertson
Ruppel
Saunders
M. Smith
V. Smith
Soliday
Stemler
Steuerwald
Stevenson
Stilwell
Sullivan
Summers
Thompson
Tincher
Torr
Truitt
Turner
Tyler
VanDenburgh
VanHaaften
Walorski
Welch
Wolkins
Yarde
Mr. Speaker

Roll Call 146: 98 present; 2 excused. The Speaker announced a quorum in attendance. [*NOTE*: ⏏ *indicates those who were excused*.]

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Friday, February 20, 2009, at 9:00 a.m.

C. BROWN

The motion was adopted by a constitutional majority.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed Senate Bills 11, 34, 54, 76, 88, 188, 209, 304, 306, 310, 342, 389, 440, 448, 477, 481, and 506 and the same are herewith transmitted to the House for further action.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 14, 19, 20, 21, and 22 and the same are herewith returned to the House.

JENNIFER L. MERTZ
Principal Secretary of the Senate

HOUSE BILLS ON SECOND READING

House Bill 1636

Representative Bardon called down House Bill 1636 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 1636–1)

Mr. Speaker: I move that House Bill 1636 be amended to read as follows:

Page 3, between lines 16 and 17, begin a new paragraph and insert:

"**(d) In determining whether to approve an application submitted under subsection (a), the participating financial institution shall evaluate the application using guidelines and criteria developed by the entity responsible for carrying out the duties of the Indiana economic development corporation under IC 5-28-17 concerning small business development.**".

Page 5, line 2, after "16." insert "**(a)**".

Page 5, line 7, after "IC 5-14-6." insert "**The governor shall forward a copy of the report to the entity responsible for carrying out the duties of the Indiana economic development corporation under IC 5-28-17 concerning small business development.**

(b) Beginning November 1, 2010, and before November 1 of each succeeding year, the entity responsible for carrying

out the duties of the Indiana economic development corporation under IC 5-28-17 concerning small business development shall:

(1) review the report submitted under subsection (a);

(2) evaluate the effectiveness of the small business loan program; and

(3) submit its findings to the governor, the budget committee, the authority, and the general assembly.

A report submitted to the general assembly must be in an electronic format under IC 5-14-6.".

(Reference is to HB 1636 as printed February 17, 2009.)

MICHAEL

Motion prevailed. The bill was ordered engrossed.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Dobis.

House Bill 1130

Representative Barnes called down House Bill 1130 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1205

Representative Bischoff called down House Bill 1205 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Interstate and International Cooperation, to which was referred House Bill 1055, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 1, delete "at least" and insert "**not more than**".

Page 2, line 1, delete ";" and insert "**or multiple consecutive crossings;**".

Page 2, line 8, after "applies." insert "**The locomotive engineer or other person in charge of the train shall notify, in writing, the appropriate maintenance of way supervisor of the railroad of any missing or damaged whistle post, and the railroad shall, within ten (10) days after the maintenance of way supervisor is notified under this subsection, repair or replace the missing or damaged whistle post.**".

Page 4, line 19, delete "five" and insert "**one**".

Page 4, line 20, delete "($5,000)," and insert "**($1,000),**".

(Reference is to HB 1055 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

HARRIS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1118, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 32-26-9-0.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 0.5. (a) As used in this section, "agricultural land" means land that is:

(1) zoned or otherwise designated as agricultural land;

(2) used for growing crops or raising livestock; or

(3) reserved for conservation.

(b) This chapter does not apply to a fence that separates two (2) adjoining parcels of property unless at least one (1) of the adjoining parcels is agricultural land.

(c) This chapter does not apply to a fence that separates two (2) adjoining parcels of property if one (1) of the adjoining parcels is owned by the state or a political subdivision (as defined in IC 36-1-2-13).".

Delete page 2.

(Reference is to HB 1118 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

V. SMITH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1132, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 8, nays 0.

PRYOR, Vice Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1190, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 17, nays 2.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1236, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Page 1, line 1, after "SECTION 1." insert "IC 12-11-8-4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS".

Page 1, line 1, delete "(a) For the state fiscal" and insert ":".

Page 1, delete line 2.

Page 1, line 3, delete "appropriated to the" and insert "**The**".

Page 1, delete line 4.

Page 1, line 5, delete "(1,900,000) from the state general fund to" and insert "**shall**".

Page 1, run in lines 1 through 5.

Page 1, delete lines 11 through 17.

Delete page 2.

(Reference is to HB 1236 as printed February 17, 2009.)

and when so amended that said bill do pass.

Committee Vote: yeas 17, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, to which was referred House Bill 1246, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 27-2-21-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 16. **(a)** An insurer that uses credit information to underwrite or rate risks shall not do the following:

(1) Use an insurance score that is calculated using income, gender, address, ZIP code, ethnic group, religion, marital status, or nationality of the consumer as a factor.

(2) Deny, cancel, or decline to renew a personal insurance policy solely on the basis of credit information.

(3) Base an insured's renewal rate for a personal insurance policy solely on credit information.

(4) Take an adverse action against a consumer solely because the consumer does not have a credit card account.

(5) Consider an absence of credit information or an inability to calculate an insurance score in underwriting or rating a personal insurance policy, unless the insurer does one (1) of the following:

(A) Presents to the commissioner information that the absence or inability relates to the risk for the insurer and treats the consumer as approved by the commissioner.

(B) Treats the consumer as if the consumer had neutral credit information, as defined by the insurer.

(6) Take an adverse action against a consumer based on credit information unless the insurer obtains and uses:

(A) a credit report issued; or

(B) an insurance score calculated;

not more than ninety (90) days before the date the personal insurance policy is first written or the renewal is issued.

~~(7) Use credit information unless the insurer recalculates the insurance score or obtains an updated credit report at least every thirty-six (36) months. However, the following apply:~~

~~(A) At annual renewal, upon the request of an insured or the insured's agent, the insurer shall re-underwrite and re-rate the personal insurance policy based on a current credit report or insurance score unless one (1) of the following applies:~~

~~(i) The insurer's treatment of the consumer is otherwise approved by the commissioner.~~

~~(ii) The insured is in the most favorably priced tier of the insurer, within a group of affiliated insurers.~~

~~(iii) Credit information was not used for underwriting or rating the insured when the personal insurance policy was initially written.~~

~~(iv) The insurer reevaluates the insured at least every thirty-six (36) months after a personal insurance policy is issued based on underwriting or rating factors other than credit information.~~

~~This clause does not require an insurer to recalculate an insurance score or obtain an updated credit report of a consumer more frequently than one (1) time in a twelve (12) month period.~~

~~(B) An insurer may obtain current credit information upon the renewal of a personal insurance policy when renewal occurs more frequently than every thirty-six (36) months if consistent with the insurer's underwriting guidelines.~~

~~(8)~~ **(7)** Use the following as a negative factor in an insurance scoring methodology or in reviewing credit information for the purpose of underwriting or rating a personal insurance policy:

(A) A credit inquiry:

(i) not initiated by the consumer; or

(ii) requested by the consumer for the consumer's own credit information.

(B) A credit inquiry relating to insurance coverage.

(C) A ~~collection account~~ **late payment** with a medical industry code on the consumer's credit report.

(D) Multiple lender inquiries:

(i) coded by the consumer reporting agency on the consumer's credit report as being from the home mortgage industry; and

(ii) made within thirty (30) days of one another.

(E) Multiple lender inquiries:

(i) coded by the consumer reporting agency on the consumer's credit report as being from the automobile lending industry; and

(ii) made within thirty (30) days of one another.

(b) An insurer that uses credit information to underwrite or rate risks shall, at annual renewal upon the request of an insured or an insured's agent, re-underwrite and re-rate the insured's personal insurance policy based on a current credit report or insurance score unless one (1) of the following applies:

(1) The insurer's treatment of the consumer is otherwise approved by the commissioner.

(2) The insured is in the most favorably priced tier of the insurer, within a group of affiliated insurers.

(3) Credit information was not used for underwriting or rating the insured when the personal insurance policy was initially written.

(4) The insurer reevaluates the insured at least every thirty-six (36) months after a personal insurance policy is issued based on underwriting or rating factors other than credit information.

This subsection does not require an insurer to recalculate an insurance score or obtain an updated credit report of a consumer more frequently than one (1) time in a twelve (12) month period.

(c) An insurer that uses credit information to underwrite or rate risks may obtain current credit information upon the renewal of a personal insurance policy when renewal occurs more frequently than every thirty-six (36) months if consistent with the insurer's underwriting guidelines.

(Reference is to HB 1246 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

FRY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1287, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-4.1-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) Within ten (10) days after life insurance proceeds are paid to a resident decedent's estate, the life insurance company shall give notice of the payment to the department of state revenue.

(b) Not later than ten (10) days after damages payable under a cause of action maintained by a personal representative under IC 34-9-3-4 are paid to a resident decedent's estate, the person making the payment shall give notice of the payment to the department of state revenue.

~~(b)~~ **(c)** The department of state revenue shall send a copy of any notice which it receives under subsection (a) **or (b)** to the county assessor of the county in which the resident decedent was domiciled at the time of ~~his~~ **the resident decedent's** death.

SECTION 2. IC 23-14-31-26, AS AMENDED BY P.L.102-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 26. (a) Except as provided in subsection (c), the following persons, in the priority listed, have the right to serve as an authorizing agent:

(1) An individual granted the authority to serve in a funeral planning declaration executed by the decedent

under IC 29-2-19.

~~(1)~~ **(2)** An individual ~~who possesses~~ **granted the authority to serve in** a health care power of attorney ~~of~~ **executed by** the decedent ~~unless the power of attorney prohibits the individual from making plans for the disposition of the decedent's body.~~ **under IC 30-5-5-16.**

~~(2)~~ **(3)** The individual who was the spouse of the decedent at the time of the decedent's death.

~~(3)~~ **(4)** The decedent's surviving adult children. If more than one (1) adult child is surviving, any adult child who confirms in writing that the other adult children have been notified, unless the crematory authority receives a written objection to the cremation from another adult child.

~~(4)~~ **(5)** The decedent's surviving parent. If the decedent is survived by both parents, either parent may serve as the authorizing agent unless the crematory authority receives a written objection to the cremation from the other parent.

~~(5)~~ **(6)** The individual in the next degree of kinship under IC 29-1-2-1 to inherit the estate of the decedent. If more than one (1) individual of the same degree is surviving, any person of that degree may serve as the authorizing agent unless the crematory authority receives a written objection to the cremation from one (1) or more persons of the same degree.

~~(6)~~ **(7)** In the case of an indigent or other individual whose final disposition is the responsibility of the state or township, the following may serve as the authorizing agent:

(A) If none of the persons identified in subdivisions (1) through ~~(5) of this section~~ **(6)** are available:

(i) a public administrator, including a responsible township trustee or the trustee's designee; or

(ii) the coroner.

(B) A state appointed guardian.

However, an indigent decedent may not be cremated if a surviving family member objects to the cremation or if cremation would be contrary to the religious practices of the deceased individual as expressed by the individual or the individual's family.

~~(7)~~ **(8)** In the absence of any person under subdivisions (1) through ~~(6),~~ **(7),** any person willing to assume the responsibility as the authorizing agent, as specified in this article.

(b) When a body part of a nondeceased individual is to be cremated, a representative of the institution that has arranged with the crematory authority to cremate the body part may serve as the authorizing agent.

(c) If:

(1) the death of the decedent appears to have been the result of:

(A) murder (IC 35-42-1-1);

(B) voluntary manslaughter (IC 35-42-1-3); or

(C) another criminal act, if the death does not result from the operation of a vehicle; and

(2) the coroner, in consultation with the law enforcement agency investigating the death of the decedent, determines that there is a reasonable suspicion that a person described in subsection (a) committed the offense;

the person referred to in subdivision (2) may not serve as the authorizing agent.

(d) The coroner, in consultation with the law enforcement agency investigating the death of the decedent, shall inform the crematory authority of the determination referred to in subsection (c)(2).

SECTION 3. IC 23-14-55-2, AS AMENDED BY P.L.3-2008, SECTION 170, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) Except as provided in subsection (d), the owner of a cemetery is authorized to inter, entomb, or inurn the body or cremated remains of a deceased human upon the receipt of a written authorization of an individual who professes either of the following:

(1) To be (in the priority listed) one (1) of the following:

(A) An individual granted the authority in a funeral planning declaration executed by the decedent under IC 29-2-19.

~~(A)~~ **(B)** An individual ~~who possesses~~ **granted the authority in** a health care power of attorney ~~of~~ **executed by** the decedent ~~unless the power of attorney prohibits the individual from making plans for the disposition of the decedent's body.~~ **under IC 30-5-5-16.**

~~(B)~~ **(C)** The individual who was the spouse of the decedent at the time of the decedent's death.

~~(C)~~ **(D)** The decedent's surviving adult child. If more than one (1) adult child is surviving, any adult child who confirms in writing that the other adult children have been notified, unless the owner of the cemetery receives a written objection to the disposition from another adult child.

~~(D)~~ **(E)** The decedent's surviving parent. If the decedent is survived by both parents, either parent unless the cemetery owner receives a written objection to the disposition from the other parent.

~~(E)~~ **(F)** The individual in the next degree of kinship under IC 29-1-2-1 to inherit the estate of the decedent. If more than one (1) individual of the same degree of kinship is surviving, any person of that degree unless the cemetery owner receives a written objection to the disposition from one (1) or more persons of the same degree of kinship.

(2) To have acquired **by court order** the right to control the disposition of the deceased human body or cremated remains.

The owner of a cemetery may accept the authorization of an individual only if all other individuals of the same priority or a higher priority (according to the priority listing in this subsection) are deceased, are barred from authorizing the disposition of the deceased human body or cremated remains under subsection (d), or are physically or mentally incapacitated from exercising the authorization, and the incapacity is certified to by a qualified medical doctor.

(b) A cemetery owner is not liable in any action for making an interment, entombment, or inurnment under a written authorization described in subsection (a) unless the cemetery owner had actual notice that the representation made under subsection (a) by the individual who issued the written authorization was untrue.

(c) An action may not be brought against the owner of a cemetery relating to the remains of a human that have been left in the possession of the cemetery owner without permanent interment, entombment, or inurnment for a period of three (3) years, unless the cemetery owner has entered into a written contract for the care of the remains.

(d) If:

(1) the death of the decedent appears to have been the result of:

(A) murder (IC 35-42-1-1);

(B) voluntary manslaughter (IC 35-42-1-3); or

(C) another criminal act, if the death does not result from the operation of a vehicle; and

(2) the coroner, in consultation with the law enforcement agency investigating the death of the decedent, determines that there is a reasonable suspicion that a person described in subsection (a) committed the offense;

the person referred to in subdivision (2) may not authorize the disposition of the decedent's body or cremated remains.

(e) The coroner, in consultation with the law enforcement agency investigating the death of the decedent, shall inform the cemetery owner of the determination referred to in subsection (d)(2).

SECTION 4. IC 25-15-9-18, AS AMENDED BY P.L.3-2008, SECTION 185, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 18. (a) Except as provided in subsection (b), the following persons, in the order of priority indicated, have the authority to designate the manner, type, and selection of the final disposition and interment of human remains:

(1) An individual granted the authority in a funeral planning declaration executed by the decedent under IC 29-2-19.

~~(1)~~ **(2)** An individual ~~who possesses~~ **granted the authority in** a health care power of attorney ~~of~~ **executed by** the decedent ~~unless the power of attorney prohibits the individual from making plans for the disposition of the decedent's body.~~ **under IC 30-5-5-16.**

~~(2)~~ **(3)** The individual who was the spouse of the decedent at the time of the decedent's death.

~~(3)~~ **(4)** The decedent's surviving adult child. If more than one (1) adult child is surviving, any adult child who confirms in writing that the other adult children have been notified, unless the licensed funeral director or licensed funeral home receives a written objection from another adult child.

~~(4)~~ **(5)** The decedent's surviving parent. If the decedent is survived by both parents, either parent has the authority unless the licensed funeral director or licensed funeral home receives a written objection from the other parent.

~~(5)~~ **(6)** The individual in the next degree of kinship under IC 29-1-2-1 to inherit the estate of the decedent. If more than one (1) individual of the same degree survives, any person of that degree has the authority unless the licensed funeral director or licensed funeral home receives a written objection from one (1) or more persons of the same degree.

~~(6)~~ **(7)** In the case of an indigent or other individual whose final disposition is the responsibility of the state or township, the following:

(A) If none of the persons identified in subdivisions (1) through ~~(5)~~ **(6)** is available:

(i) a public administrator, including a responsible township trustee or the trustee's designee; or

(ii) the coroner.

(B) A state appointed guardian.

(b) If:

(1) the death of the decedent appears to have been the result of:

(A) murder (IC 35-42-1-1);

(B) voluntary manslaughter (IC 35-42-1-3); or

(C) another criminal act, if the death does not result from the operation of a vehicle; and

(2) the coroner, in consultation with the law enforcement agency investigating the death of the decedent, determines that there is a reasonable suspicion that a person described in subsection (a) committed the offense;

the person referred to in subdivision (2) may not authorize or designate the manner, type, or selection of the final disposition and internment of human remains.

(c) The coroner, in consultation with the law enforcement agency investigating the death of the decedent, shall inform the cemetery owner or crematory authority of the determination under subsection (b)(2).".

Page 3, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 6. IC 29-1-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. **(a)** The surviving spouse of a decedent who was domiciled in Indiana at ~~his~~ **the decedent's** death is entitled from the estate to an allowance of twenty-five thousand dollars ($25,000). ~~The allowance may be claimed against the personal property of the estate or a residence that is a part of the decedent's estate, or a combination of both.~~ If there is no surviving spouse, the decedent's children who are under eighteen (18) years of age at the time of the decedent's death are entitled to the same allowance to be divided equally among them.

(b) The allowance under subsection (a) may be claimed against:

(1) the personal property of the decedent's estate;

(2) the real property that is part of the decedent's estate; or

(3) a combination of personal property under subdivision (1) and real property under subdivision (2).

(c) Not later than ninety (90) days after the order commencing the estate administration, an individual entitled to the allowance may file with the court an election specifying whether the allowance is being claimed under subsection (b) against the personal property of the estate or the real property that is part of the estate, or a combination of both. An interested party may file an objection to the manner in which the allowance is being claimed not later than thirty (30) days after the date the election is filed with the court. The court shall rule on the objection after notice and a hearing. If an election is not filed within ninety (90) days after the order commencing the estate administration, the allowance must be satisfied according to the following order of preference:

(1) From the intangible personal property of the estate.

(2) From the tangible personal property of the estate.

(3) From the real property that is part of the estate.

(d) If the personal property ~~and a residence that is a part~~ of the ~~decedent's~~ estate ~~are~~ **is** less than twenty-five thousand dollars ($25,000) in value, the spouse or decedent's children who are under eighteen (18) years of age at the time of the decedent's death, as the case may be, are entitled to any real estate of the estate to the extent necessary to make up the difference between the value of the personal property ~~plus the residence that is a part of the decedent's estate~~ and twenty-five thousand dollars ($25,000). The amount of that difference is a lien on the ~~remaining~~ real estate. **However, no real estate may be sold to satisfy the survivor's allowance unless the sale is approved:**

(1) in an agreement signed by all interested persons; or

(2) by court order following notice to all interested persons.

(e) An allowance under this section is not chargeable against the distributive shares of either the surviving spouse or the children.

(f) For purposes of this section, the value of the real property that is part of a decedent's estate must be determined as of the date of the decedent's death.

SECTION 7. IC 29-1-7-7, AS AMENDED BY P.L.95-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) As soon as letters testamentary or of administration, general or special, supervised or unsupervised, have been issued, the clerk of the court shall publish notice of the estate administration.

(b) The notice required under subsection (a) shall be published in a newspaper of general circulation, printed in the English language and published in the county where the court is located, once each week for two (2) consecutive weeks. A copy of the notice, with proof of publication, shall be filed with the clerk of the court as a part of the administration of the estate within thirty (30) days after the publication. If no newspaper is published in the county, the notice shall be published in a newspaper published in an adjacent county.

(c) The notice required under subsection (a) shall be served by ~~certified~~ **first class postage prepaid** mail on each heir, devisee, legatee, and known creditor whose name and address is set forth in the petition for probate or letters, **except as otherwise ordered by the court.** The personal representative shall furnish sufficient copies of the notice, prepared for mailing, and the clerk of the court shall mail the notice upon the issuance of letters.

(d) The personal representative or the personal representative's

agent shall serve notice on each creditor of the decedent:

(1) whose name is not set forth in the petition for probate or letters under subsection (c);

(2) who is known or reasonably ascertainable within one (1) month after the first publication of notice under subsection (a); and

(3) whose claim has not been paid or settled by the personal representative.

The notice may be served by mail or any other means reasonably calculated to ensure actual receipt of the notice by a creditor.

(e) Notice under subsection (d) shall be served within one (1) month after the first publication of notice under subsection (a) or as soon as possible after the elapse of one (1) month. If the personal representative or the personal representative's agent fails to give notice to a known or reasonably ascertainable creditor of the decedent under subsection (d) within one (1) month after the first publication of notice under subsection (a), the period during which the creditor may submit a claim against the estate includes an additional period ending two (2) months after the date notice is given to the creditor under subsection (d). However, a claim filed under IC 29-1-14-1(a) more than nine (9) months after the death of the decedent is barred.

(f) A schedule of creditors that received notice under subsection (d) shall be delivered to the clerk of the court as soon as possible after notice is given.

(g) The giving of notice to a creditor or the listing of a creditor on the schedule delivered to the clerk of the court does not constitute an admission by the personal representative that the creditor has an allowable claim against the estate.

(h) If any person entitled to receive notice under this section is under a legal disability, the notice may be served upon or waived by the person's natural or legal guardian or by the person who has care and custody of the person.

(i) The notice shall read substantially as follows:

NOTICE OF ADMINISTRATION

In the _____ Court of _____ County, Indiana.

Notice is hereby given that _____ was, on the ____ day of _____, 20 __, appointed personal representative of the estate of _____, deceased, who died on the ___ day of _____, 20 __.

All persons who have claims against this estate, whether or not now due, must file the claim in the office of the clerk of this court within three (3) months from the date of the first publication of this notice, or within nine (9) months after the decedent's death, whichever is earlier, or the claims will be forever barred.

Dated at _____, Indiana, this ___ day of _____, 20 __.

CLERK OF THE _____ COURT
FOR _____ COUNTY, INDIANA, Chair

SECTION 8. IC 29-1-7.5-1.5, AS AMENDED BY P.L.238-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.5. (a) As soon as letters testamentary or letters of administration have been issued, the clerk of the court shall serve by mail notice of the petition on each of the decedent's heirs at law, if the decedent died intestate, or the devisees and legatees under the decedent's will. The mailing of notice under this subsection may not be waived.

(b) The notice required under subsection (a) shall read substantially as follows:

NOTICE OF UNSUPERVISED ADMINISTRATION TO BE MAILED TO A DISTRIBUTEE

In the _____ Court of _____ County, Indiana.

Notice is hereby given that _____, on the _____ day of _____, 20__, was appointed as the personal representative of the estate of _____, who died on the ____ day of _____, 20__, {leaving a will} {not leaving a will}. The estate will be administered without court supervision.

As an heir, a devisee, or a legatee of the estate (a "distributee"), you are advised of the following information:

(1) The personal representative has the authority to take actions concerning the estate without first consulting you.

(2) The personal representative may be serving without posting a bond with the court. You have the right to petition the court to set a bond for your protection. **You also have the right to petition the court to remove a corporate personal representative not later than thirty (30) days after this notice if the ownership or control of the corporate personal representative has changed since the execution of the decedent's will.**

(3) The personal representative will not obtain court approval of any action, including the amount of attorney's or personal representative's fees.

(4) Within two (2) months after the appointment of the personal representative, the personal representative must prepare an inventory of the estate's assets. You have the right to request and receive a copy of this inventory from the personal representative. However, if you do not participate in the residue of the estate and receive only a specific bequest in money or personal property that will be paid, you are entitled only to the information concerning your specific bequest and not to the assets of the estate as a whole.

(5) The personal representative is required to furnish you with a copy of the closing statement that will be filed with the court, and, if your interests are affected, with a full account in writing of the administration of the estate.

(6) You must file an objection to the closing statement within three (3) months after the closing statement is filed with the court if you want the court to consider your objection.

(7) If an objection to the closing statement is not filed with the court within three (3) months after the filing of the closing statement, the estate is closed and the court does not have a duty to audit or make an inquiry.

IF, AT ANY TIME BEFORE THE ESTATE IS CLOSED, YOU HAVE REASON TO BELIEVE THAT THE ADMINISTRATION OF THE ESTATE SHOULD BE SUPERVISED BY THE COURT, YOU HAVE THE RIGHT TO PETITION THE COURT FOR SUPERVISED ADMINISTRATION.

IF YOU DO NOT UNDERSTAND THIS NOTICE, YOU SHOULD ASK YOUR ATTORNEY TO EXPLAIN IT TO YOU.

The personal representative's address is _____, and telephone number is _____. The attorney for the personal representative is _____, whose address is _____ and telephone number is _____.

Dated at _____, Indiana, this _____ day of _____, 20__.

CLERK OF THE _____ COURT

SECTION 9. IC 29-1-10-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. **(a) This section does not apply to the removal of a corporate fiduciary after a change in control of the corporate fiduciary.**

(b) When the personal representative becomes incapacitated (unless the incapacity is caused only by a physical illness, infirmity, or impairment), disqualified, unsuitable or incapable of discharging the representative's duties, has mismanaged the estate, failed to perform any duty imposed by law or by any lawful order of the court, or has ceased to be domiciled in Indiana, the court may remove the representative ~~as provided:~~ **in accordance with either of the following:**

~~(a)~~ **(1)** The court on its own motion may, or on petition of any person interested in the estate shall, order the representative to appear and show cause why the representative should not be removed. ~~Such~~ **The** order shall set forth in substance the alleged grounds upon which such

removal is based, the time and place of the hearing, and may be served upon the personal representative in the same manner as a notice is served under this article.

~~(b)~~ **(2)** The court may without motion, petition or application, for any such cause, in cases of emergency, remove such personal representative instantly without notice or citation.

(c) The removal of a personal representative after letters are duly issued does not invalidate official acts performed prior to removal.

SECTION 10. IC 29-1-10-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 6.5. (a) This section does not apply to the removal of a personal representative under section 6 of this chapter.**

(b) An heir may petition the court for the removal of a corporate fiduciary appointed by the court as personal representative if there has been a change in the control of the corporate fiduciary and either of the following applies:

(1) The change in the control of the corporate fiduciary occurred after the date of the execution of the decedent's will but before the decedent's death.

(2) The change in the control of the corporate fiduciary occurred after the corporate fiduciary was appointed and during the administration of the decedent's estate.

(c) A petition described in subsection (b) must be filed:

(1) not later than thirty (30) days after an heir, a devisee, or a legatee receives notice under IC 29-1-7-7(c) or IC 29-1-7.5-1.5, in the case of a change of control described in subsection (b)(1); or

(2) not later than a reasonable time after the change of control, in the case of a change of control described in subsection (b)(2).

(d) The court may remove the corporate fiduciary if the court determines, after a hearing, that the removal is in the best interests of all the beneficiaries of the will. The court may replace the corporate fiduciary with another corporate fiduciary or an individual.

(e) For purposes of this section, a change in control of a corporate fiduciary occurs whenever a person or group of persons acting in concert acquires the beneficial ownership of a total of at least twenty-five percent (25%) of the outstanding voting stock of:

(1) a corporate fiduciary; or

(2) a corporation controlling a corporate fiduciary.

(f) The removal of a corporate fiduciary after letters are duly issued does not invalidate official acts performed before the removal.

(g) If a corporate fiduciary is replaced under this section, the corporate fiduciary is entitled to receive reasonable compensation for services rendered before the removal.

SECTION 11. IC 29-2-19 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 19. Funeral Planning Declaration

Sec. 1. As used in this chapter, "declarant" means an individual who signs a funeral planning declaration executed under this chapter.

Sec. 2. As used in this chapter, "declaration" means a funeral planning declaration executed under this chapter.

Sec. 3. As used in this chapter, "designee" means an individual directed by the terms of a declaration to:

(1) carry out the funeral plan of the declarant as set forth in the declaration; or

(2) make any arrangements concerning the disposition of the declarant's remains, funeral services, merchandise, and ceremonies that are delegated to the designee in the declaration.

Sec. 4. As used in this chapter, "disposition" has the meaning set forth in IC 25-15-2-7.

Sec. 5. As used in this chapter, "funeral services" has the meaning set forth in IC 25-15-2-17.

Sec. 6. As used in this chapter, "grave memorial" has the meaning set forth in IC 14-21-2-2.

Sec. 7. As used in this chapter, "merchandise" refers to personal property described in IC 30-2-13-8.

Sec. 8. (a) A person who is of sound mind and is at least eighteen (18) years of age may execute a funeral planning declaration substantially in the form set forth in section 13 of this chapter. A declaration may be included in a will, a power of attorney, or a similar document.

(b) A declaration must meet the following conditions:

(1) Be voluntary.

(2) Be in writing.

(3) Direct an individual to serve as the declarant's designee.

(4) Be signed by the person making the declaration or by another person in the declarant's presence and at the direction of the declarant.

(5) Be dated.

(6) Be signed in the presence of at least two (2) competent witnesses who are at least eighteen (18) years of age.

(c) The following may not be a witness to a declaration under subsection (b)(6):

(1) The person who signed the declaration on behalf of and at the direction of the declarant.

(2) A parent, spouse, or child of the declarant.

(3) An individual who is entitled to any part of the declarant's estate whether the declarant dies testate or intestate, including an individual who could take from the declarant's estate if the declarant's will is declared invalid.

For purposes of subdivision (3), a person is not considered to be entitled to any part of the declarant's estate solely by virtue of being nominated as a personal representative or as the attorney for the estate in the declarant's will.

(d) A declaration is not binding upon a funeral home, a cemetery, any other person engaged in the business of providing funeral services, any other person selling merchandise or grave markers, or any other person providing a service or other property subject to the declaration until the person receives consideration for the service, merchandise, or other property.

(e) Except as provided in subsection (f), a declarant may not direct an individual who is:

(1) a provider of funeral services;

(2) responsible for any aspect of the disposition of the declarant's remains; or

(3) associated with any entity that is responsible for providing funeral services or disposing of the declarant's remains;

to be the declarant's designee in a declaration executed under this chapter.

(f) Subsection (e) does not apply to an individual who is related to the declarant by birth, marriage, or adoption.

Sec. 9. A declaration may specify the declarant's preferences concerning any of the following:

(1) The disposition of the declarant's remains after the declarant's death.

(2) Who may direct the disposition of the declarant's remains.

(3) Who may provide funeral services after the declarant's death.

(4) The ceremonial arrangements to be performed after the declarant's death.

(5) The merchandise that the declarant prefers for the disposition of the declarant's remains and any ceremonial arrangements.

(6) Who may direct the ceremonial arrangements to be

performed after the declarant's death.

(7) A grave memorial.

Sec. 10. (a) Except as provided in subsection (b), the provisions of a declarant's most recent declaration prevail over any other document executed by the declarant concerning any preferences described in section 9 of this chapter. However, this section may not be construed to invalidate a power of attorney executed under IC 30-5-5 or an appointment of a health care representative under IC 16-36-1 with respect to any power or duty belonging to the attorney in fact or health care representative that is not related to a preference described in section 9 of this chapter.

(b) A funeral trust established under IC 30-2-9 or IC 30-2-10 or a contract entered into under IC 30-2-13 prevails over a declaration that conflicts with the trust or contract.

Sec. 11. (a) A person who acts in good faith reliance on a declaration is immune from liability to the same extent as if the person had dealt directly with the declarant and the declarant had been a competent and living person.

(b) A person who deals with a declaration may presume, in the absence of actual knowledge to the contrary, that:

(1) the declaration was validly executed; and

(2) the declarant was competent at the time the declaration was executed.

(c) The directions of a declarant expressed in a declaration are binding as if the declarant were alive and competent.

Sec. 12. A declaration must be substantially in the form set forth in section 13 of this chapter, but the declaration may include additional, specific directions. The invalidity of any additional, specific direction does not affect the validity of the declaration.

Sec. 13. The following is the funeral planning declaration form:

FUNERAL PLANNING DECLARATION

Declaration made this _____ day of _____ (month, year). I, _____, being at least eighteen (18) years of age and of sound mind, willfully and voluntarily make known my instructions concerning funeral services, ceremonies, and the disposition of my remains after my death.

I hereby declare and direct that after my death _____(name of designee) shall, as my designee, carry out the instructions that are set forth in this declaration. If my designee is unwilling or unable to act, I nominate _____ as an alternate designee.

I hereby declare and direct that after my death the following actions be taken (indicate your choice by initialing or making your mark before signing this declaration):

(1) My body shall be:

(A) _____ Buried. I direct that my body be buried at _____.

(B) _____ Cremated. I direct that my cremated remains be disposed of as follows:

_____

_____

(C) _____ Entombed. I direct that my body be entombed at _____.

(D) _____ I intentionally make no decision concerning the disposition of my body, leaving the decision to my designee (as named above).

(2) My arrangements shall be made as follows:

(A) I direct that funeral services be obtained from:

_____

_____

(B) I direct that the following ceremonial arrangements be made:

_____

_____

(C) I direct the selection of a grave memorial that:

_____

_____

(D) I direct that the following merchandise and other property be selected for the disposition of my remains, my funeral or other ceremonial arrangements:

_____

_____

_____

_____

(E) _____I direct that my designee (as named above) make all arrangements concerning ceremonies and other funeral services.

(3) In addition to the instructions listed above, I request the following:

_____

_____

(4) If it is impossible to make an arrangement specified in subdivisions (1) through (3) because:

(A) a funeral home or other service provider is out of business, impossible to locate, or otherwise unable to provide the specified service; or

(B) the specified arrangement is impossible, impractical, or illegal;

I direct my designee to make alternate arrangements to the best of the designee's ability.

It is my intention that this declaration be honored by my family and others as the final expression of my intentions concerning my funeral and the disposition of my body after my death. I understand the full import of this declaration.

Signed _____

City, County, and State of Residence

The declarant is personally known to me, and I believe the, Chair declarant to be of sound mind. I did not sign the declarant's signature above for or at the direction of the declarant. I am not a parent, spouse, or child of the declarant. I am not entitled to any part of the declarant's estate. I am competent and at least eighteen (18) years of age.

Witness _____ Date _____

Witness _____ Date _____

Sec. 14. A declaration may be revoked by the declarant in writing or by burning, tearing, canceling, obliterating, or destroying the declaration with the intent to revoke the declaration.

Sec. 15. Except as otherwise expressly provided in a declaration, a subsequent:

(1) dissolution of marriage;

(2) annulment of marriage; or

(3) legal separation of the declarant and the declarant's spouse;

automatically revokes a delegation of authority in a declaration to the declarant's spouse to direct the disposition of the declarant's body or to make all arrangements concerning funeral services and other ceremonies after the declarant's death.

Sec. 16. Except as otherwise provided in a declaration,

section 17 of this chapter controls if a person to whom a declaration delegates the authority to make arrangements after a declarant's death is unable or unwilling to serve.

Sec. 17. The right to control the disposition of a decedent's body, to make arrangements for funeral services, and to make other ceremonial arrangements after an individual's death devolves on the following, in the priority listed:

(1) An individual granted the authority in a funeral planning declaration executed by the decedent under this chapter.

(2) An individual granted the authority in a health care power of attorney executed by the decedent under IC 30-5-5-16.

(3) The decedent's surviving spouse.

(4) A surviving adult child of the decedent.

(5) A surviving parent of the decedent.

(6) An individual in the next degree of kinship under IC 29-1-2-1 to inherit the estate of the decedent.

Sec. 18. A person in Indiana may rely on a declaration or similar instrument that was executed in another state and that complies with the requirements of this chapter to the extent that an action requested by the declarant in the declaration or similar instrument does not violate any federal or Indiana law or any ordinance or regulation of a political subdivision.

Sec. 19. An action to contest the validity of any declaration made under this chapter must be:

(1) brought in the same manner as an action to contest the validity of a will under IC 29-1-7;

(2) filed in the circuit court of the county in which the declarant's remains are located;

(3) expedited on the docket of the circuit court as a matter requiring priority; and

(4) accompanied by a bond, cash deposit, or other surety sufficient to guarantee that the hospital, nursing home, funeral home, or other institution holding the declarant's remains is compensated for the storage charges incurred while the action is pending.

SECTION 12. IC 29-3-6-1, AS AMENDED BY P.L.95-2007, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) When a petition for appointment of a guardian or for the issuance of a protective order is filed with the court, notice of the petition and the hearing on the petition shall be given by ~~certified~~ **first class postage prepaid** mail as follows:

(1) If the petition is for the appointment of a successor guardian, notice shall be given unless the court, for good cause shown, orders that notice is not necessary.

(2) If the petition is for the appointment of a temporary guardian, notice shall be given as required by IC 29-3-3-4(a).

(3) If the subject of the petition is a minor, notice of the petition and the hearing on the petition shall be given to the following persons whose whereabouts can be determined upon reasonable inquiry:

(A) The minor, if at least fourteen (14) years of age, unless the minor has signed the petition.

(B) Any living parent of the minor, unless parental rights have been terminated by a court order.

(C) Any person alleged to have had the principal care and custody of the minor during the sixty (60) days preceding the filing of the petition.

(D) Any other person that the court directs.

(4) If it is alleged that the person is an incapacitated person, notice of the petition and the hearing on the petition shall be given to the following persons whose whereabouts can be determined upon reasonable inquiry:

(A) The alleged incapacitated person, the alleged incapacitated person's spouse, and the alleged incapacitated person's adult children, or if none, the alleged incapacitated person's parents.

(B) Any person who is serving as a guardian for, or who has the care and custody of, the alleged incapacitated person.

(C) In case no person other than the incapacitated person is notified under clause (A), at least one (1) of the persons most closely related by blood or marriage to the alleged incapacitated person.

(D) Any person known to the petitioner to be serving as the alleged incapacitated person's attorney-in-fact under a durable power of attorney.

(E) Any other person that the court directs.

Notice is not required under this subdivision if the person to be notified waives notice or appears at the hearing on the petition.

(b) Whenever a petition (other than one for the appointment of a guardian or for the issuance of a protective order) is filed with the court, notice of the petition and the hearing on the petition shall be given to the following persons, unless they appear or waive notice:

(1) The guardian.

(2) Any other persons that the court directs, including the following:

(A) Any department, bureau, agency, or political subdivision of the United States or of this state that makes or awards compensation, pension, insurance, or other allowance for the benefit of an alleged incapacitated person.

(B) Any department, bureau, agency, or political subdivision of this state that may be charged with the supervision, control, or custody of an alleged incapacitated person.

SECTION 13. IC 29-3-8-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6.5. (a) If:

(1) a guardian takes possession of property that is:

(A) jointly owned by or titled in the names of the protected person and another person with rights of survivorship; **or**

(B) owned as a multiple party account with another person as joint owner or beneficiary;

(2) the guardian:

(A) severs the joint ownership of the property; **or**

(B) uses the assets of the multiple party account; and

(3) the protected person subsequently dies while the other person is living;

the other person may elect to receive from the protected person's estate property in an amount determined under subsection (b).

(b) The amount of property the other person described in subsection (a) may elect to receive is determined in STEP THREE of the following formula:

STEP ONE: Subtract:

(A) the value of the severed **or used** property retained by the other person at the time ownership was severed **or used,** if any; from

(B) the value of the joint property **or multiple party account** at the time ownership was severed **or the assets were used.**

STEP TWO: Divide:

(A) the remainder determined under STEP ONE; by

(B) the value of the protected person's property, including the jointly held property **or multiple party account,** at the time ownership was severed **or the assets were used.**

STEP THREE: Multiply:

(A) the quotient determined under STEP TWO; by

(B) the value of the deceased protected person's net estate.

(c) As used in this section, "multiple party account" refers to both multiple party accounts described by IC 32-17-11 and

transfer on death securities described by IC 32-17-9.".

Page 4, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 14. IC 30-5-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. "Attorney in fact" means the person designated to act for the principal under a power of attorney. **The term includes any of the following:**

(1) The original attorney in fact.

(2) A co-attorney in fact.

(3) A successor attorney in fact.

(4) A person to whom an attorney in fact has delegated authority.

SECTION 15. IC 30-5-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. "Person" means:

(1) an individual at least eighteen (18) years of age;

(2) a corporation;

(3) a trust;

(4) a limited liability company; ~~or~~

(5) a partnership;

(6) a business trust;

(7) an estate;

(8) an association;

(9) a joint venture;

(10) a government or political subdivision;

(11) an agency;

(12) an instrumentality; or

(13) any other legal or commercial entity.

SECTION 16. IC 30-5-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. "Power of attorney" **means a writing or other record that grants authority to an attorney in fact or agent to act in place of a principal, whether the term "power of attorney" is used. The term** refers to all types of powers of attorney, including durable powers of attorney, **except for the following:**

(1) A power to the extent it is coupled with an interest in the subject of the power, including a power given to or for the benefit of a credit in connection with a credit transaction.

(2) A proxy or other delegation to exercise voting rights or management rights with respect to an entity.

(3) A power created on a form prescribed by a government or governmental subdivision, agency, or instrumentality for a governmental purpose.

SECTION 17. IC 30-5-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. A power of attorney is valid if the power of attorney was valid at the time the power of attorney was executed under any of the following:

(1) This article.

(2) IC 30-2-11 **(repealed).**

(3) Common law.

(4) The law of another state or foreign country.

(5) The requirements for a military power of attorney under 10 U.S.C. 1044b.

SECTION 18. IC 30-5-3-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 6. The meaning and effect of a power of attorney are determined by the law of the jurisdiction indicated in the power of attorney. In the absence of an indication of jurisdiction, the meaning and effect of a power of attorney are determined by the law of the jurisdiction in which the power of attorney was executed.**

SECTION 19. IC 30-5-3-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 7. This article modifies, limits, and supersedes the Electronic Signatures in Global and National Commerce Act (15 U.S.C. 7001 et seq.). However, this article does not:**

(1) modify, limit, or supersede 15 U.S.C. 7001(c); or

(2) authorize the electronic delivery of a notice described in 15 U.S.C. 7003(b).

SECTION 20. IC 30-5-4-2, AS AMENDED BY P.L.101-2008, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) Except as provided in subsection (b), a power of attorney is effective on the date the power of attorney is signed in accordance with section 1(4) of this chapter.

(b) A power of attorney may:

(1) specify the date on which the power will become effective; or

(2) become effective upon the occurrence of an event.

(c) If a power of attorney becomes effective upon the principal's incapacity and:

(1) the principal has not authorized a person to determine whether the principal is incapacitated; or

(2) the person authorized is unable or unwilling to make the determination;

the power of attorney becomes effective upon a determination that the principal is incapacitated that is set forth in a writing or other record by a physician, licensed psychologist, or judge.

(d) A person authorized by the principal in the power of attorney to determine that the principal is incapacitated may:

(1) act as the principal's personal representative under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 201 et seq.) and any rules or regulations issued under that act; and

(2) obtain access to the principal's health care information and communicate with the principal's health care provider.

SECTION 21. IC 30-5-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) Except as stated otherwise in the power of attorney, an attorney in fact fails to serve or ceases to serve when:

(1) the attorney in fact dies;

(2) the attorney in fact resigns;

(3) the attorney in fact is adjudged incapacitated by a court;

(4) the attorney in fact cannot be located upon reasonable inquiry;

(5) the attorney in fact, if at one time the principal's spouse, legally is no longer the principal's spouse; or

(6) a physician familiar with the condition of the current attorney in fact certifies in writing to the immediate successor attorney in fact that the current attorney in fact is unable to transact a significant part of the business required under the power of attorney.

(b) Except as stated otherwise in the power of attorney, if the replaced attorney in fact reappears or is subsequently able to transact business, the successor attorney in fact shall remain as the attorney in fact.

(c) Except as otherwise stated in the power of attorney, an attorney in fact designated as a successor has the powers granted under the power of attorney to the original attorney in fact.

(d) Unless a power of attorney provides a different method for an attorney in fact's resignation, an attorney in fact may resign by giving notice to the principal, and, if the principal is incapacitated:

(1) to:

(A) the principal's guardian, if a guardian has been appointed for the principal; and

(B) a co-attorney in fact or successor attorney in fact; or

(2) if there is no person described in subdivision (1), to:

(A) the principal's care giver;

(B) another person reasonably believed by the attorney in fact to have sufficient interest in the principal's welfare; or

(C) a governmental agency having authority to

protect the welfare of the principal.

SECTION 22. IC 30-5-5-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 7.5. (a) Language conferring general authority with respect to transfer on death or payable on death transfers means the principal authorizes the attorney in fact to do the following:**

(1) Establish one (1) or more transfer on death transfers or payable on death transfers.

(2) Designate, amend, remove, modify, or change any designation of beneficiary in a transfer on death transfer or payable on death transfer, including those created by the principal before or after the execution of the power of attorney.

(3) Terminate any transfer on death transfer or payable on death transfer.

(4) Add to or withdraw from any transfer on death transfer or payable on death transfer.

(5) Exercise any right or authority that the principal may have in a transfer on death transfer or payable on death transfer during the principal's lifetime.

(b) The powers described in this section are equally exercisable with respect to transfer on death transfers and payable on death transfers that are established or operated in Indiana or another jurisdiction.

(c) A power of attorney that is executed before July 1, 2009, and that confers general authority with respect to all other matters under section 19 of this chapter also confers general authority with respect to transfer on death transfers and payable on death transfers as described in this section.

SECTION 23. IC 30-5-5-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 16. (a) This section does not prohibit an individual capable of consenting to the individual's own health care or to the health care of another from consenting to health care administered in good faith under the religious tenets and practices of the individual requiring health care.

(b) Language conferring general authority with respect to health care powers means the principal authorizes the attorney in fact to do the following:

(1) Employ or contract with servants, companions, or health care providers to care for the principal.

(2) If the attorney in fact is an individual, consent to or refuse health care for the principal who is an individual in accordance with IC 16-36-4 and IC 16-36-1 by properly executing and attaching to the power of attorney a declaration or appointment, or both.

(3) Admit or release the principal from a hospital or health care facility.

(4) Have access to records, including medical records, concerning the principal's condition.

(5) Make anatomical gifts on the principal's behalf.

(6) Request an autopsy.

(7) Make plans for the disposition of the principal's body, **including executing a funeral planning declaration on behalf of the principal in accordance with IC 29-2-19.**

SECTION 24. IC 30-5-9-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 11. An attorney in fact that violates this article is liable to the principal or the principal's successors in interest for damages and an amount required to reimburse the principal or the principal's successors in interest for the attorney's fees and costs paid as a result of the violation.**

SECTION 25. IC 30-5-10-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 0.5. Unless the power of attorney provides otherwise, an attorney in fact may exercise authority until the authority terminates under this chapter, even if time has passed since the execution of the power of attorney.**

SECTION 26. IC 32-17-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. This chapter applies to registrations of securities:

(1) in beneficiary form ~~regardless of the date of registration,~~ **that are made before July 1, 2009;** and

(2) by persons who die after June 30, 1997.

SECTION 27. IC 32-17-11-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 0.5. (a) This chapter applies to a P.O.D. account established before July 1, 2009.**

(b) A P.O.D. account established after June 30, 2009, is subject to IC 32-17-14.

SECTION 28. IC 32-17-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) As used in this chapter, "nonprobate transfer" means a valid transfer, effective at death, by a transferor:

(1) whose last domicile was in Indiana; and

(2) who immediately before death had the power, acting alone, to prevent transfer of the property by revocation or withdrawal and:

(A) use the property for the benefit of the transferor; or

(B) apply the property to discharge claims against the transferor's probate estate.

The term does not include transfer of a survivorship interest in a tenancy by the entireties real estate, transfer of a life insurance policy or annuity, or payment of the death proceeds of a life insurance policy or annuity.

(b) With respect to a security ~~described in~~ **registered:**

(1) under IC 32-17-9 **(in the case of a security registered before July 1, 2009); or**

(2) under IC 32-17-14 (in the case of a security registered after June 30, 2009);

"nonprobate transfer" means a transfer on death resulting from a registration in beneficiary form by an owner whose last domicile was in Indiana.

(c) With respect to a nonprobate transfer involving a multiple party account, a nonprobate transfer occurs if the last domicile of the depositor whose interest is transferred under IC 32-17-11 **(in the case of an account established before July 1, 2009) or IC 32-17-14 (in the case of an account established after June 30, 2009)** was in Indiana.

(d) With respect to a motor vehicle or a watercraft, a nonprobate transfer occurs if the transferee obtains a certificate of title in Indiana for:

(1) the motor vehicle under IC 9-17-2-2(b); or

(2) the watercraft as required by IC 9-31-2-16(a)(1)(C).

(e) A transfer on death transfer completed under IC 32-17-14 is a nonprobate transfer.

SECTION 29. IC 32-17-14 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 14. Transfer on Death Property Act

Sec. 1. This chapter may be cited as the Transfer on Death Property Act.

Sec. 2. (a) This chapter applies to property subject to a beneficiary designation made after June 30, 2009.

(b) Subject to section 32 of this chapter, this chapter applies to a transfer on death transfer if at the time the owner designated the beneficiary:

(1) the owner was a resident of Indiana;

(2) the property subject to the beneficiary designation was situated in Indiana;

(3) the obligation to pay or deliver arose in Indiana;

(4) the transferring entity was a resident of Indiana or had a place of business in Indiana; or

(5) the transferring entity's obligation to make the transfer was accepted in Indiana.

(c) Except for section 24 of this chapter, this chapter does

not apply to property, money, or benefits paid or transferred at death under a life or accidental death insurance policy, annuity, contract, plan, or other product sold or issued by a life insurance company unless the provisions of this chapter are incorporated into the policy or beneficiary designation in whole or in part by express reference.

(d) Except for section 24 of this chapter, this chapter does not apply to a transfer on death transfer if the beneficiary designation or an applicable law expressly provides that this chapter does not apply to the transfer.

(e) This chapter does not apply to beneficiary designations that are subject to the following:

(1) IC 9-17-3-9 (for motor vehicles).

(2) IC 9-31-2-30 (for watercraft).

(3) IC 32-17-9 (for securities registered before July 1, 2009, under the Indiana Uniform Act on Transfer on Death Securities).

(4) IC 32-17-11 (for pay on death accounts established before July 1, 2009).

Sec. 3. The following definitions apply throughout this chapter:

(1) "Beneficiary" means a person designated or entitled to receive property because of another person's death under a transfer on death transfer.

(2) "Beneficiary designation" means a written instrument other than a will or trust that designates the beneficiary of a transfer on death transfer.

(3) "Joint owners" refers to persons who hold property as joint tenants with a right of survivorship. However, the term does not include a husband and wife who hold property as tenants by the entirety.

(4) "LDPS" means an abbreviation of lineal descendants per stirpes, which may be used in a beneficiary designation to designate a substitute beneficiary as provided in section 22 of this chapter.

(5) "Owner" refers to a person or persons who have a right to designate the beneficiary of a transfer on death transfer.

(6) "Ownership in beneficiary form" means holding property under a registration in beneficiary form or other written instrument that:

(A) names the owner of the property;

(B) directs ownership of the property to be transferred upon the death of the owner to the designated beneficiary; and

(C) designates the beneficiary.

(7) "Person" means an individual, a sole proprietorship, a partnership, an association, a fiduciary, a trustee, a corporation, a limited liability company, or any other business entity.

(8) "Proof of death" means a death certificate or a record or report that is prima facie proof or evidence of an individual's death.

(9) "Property" means any present or future interest in real property, intangible personal property (as defined in IC 6-4.1-1-5), or tangible personal property (as defined in IC 6-4.1-1-13). The term includes:

(A) a right to direct or receive payment of a debt;

(B) a right to direct or receive payment of money or other benefits due under a contract, account agreement, deposit agreement, employment contract, compensation plan, pension plan, individual retirement plan, employee benefit plan, or trust or by operation of law;

(C) a right to receive performance remaining due under a contract;

(D) a right to receive payment under a promissory note or a debt maintained in a written account record;

(E) rights under a certificated or uncertificated security;

(F) rights under an instrument evidencing ownership of property issued by a governmental agency; and

(G) rights under a document of title (as defined in IC 26-1-1-201).

(10) "Registration in beneficiary form" means titling of an account record, certificate, or other written instrument that:

(A) provides evidence of ownership of property in the name of the owner;

(B) directs ownership of the property to be transferred upon the death of the owner to the designated beneficiary; and

(C) designates the beneficiary.

(11) "Security" means a share, participation, or other interest in property, in a business, or in an obligation of an enterprise or other issuer. The term includes a certificated security, an uncertificated security, and a security account.

(12) "Transfer on death deed" means a deed that conveys an interest in real property to a grantee by beneficiary designation.

(13) "Transfer on death transfer" refers to a transfer of property that takes effect upon the death of the owner under a beneficiary designation made under this chapter.

(14) "Transferring entity" means a person who:

(A) owes a debt or is obligated to pay money or benefits;

(B) renders contract performance;

(C) delivers or conveys property; or

(D) changes the record of ownership of property on the books, records, and accounts of an enterprise or on a certificate or document of title that evidences property rights.

The term includes a governmental agency, business entity, or transfer agent that issues certificates of ownership or title to property and a person acting as a custodial agent for an owner's property. However, the term does not include a governmental office charged with endorsing, entering, or recording the transfer of real property in the public records.

Sec. 4. (a) The following transfers of ownership are not considered transfer on death transfers for purposes of this chapter:

(1) Transfers by rights of survivorship in property held as joint tenants or tenants by the entirety.

(2) A transfer to a remainderman on the termination of a life tenancy.

(3) An inter vivos or a testamentary transfer under a trust established by an individual.

(4) A transfer made under the exercise or nonexercise of a power of appointment.

(5) A transfer made on the death of a person who did not have the right to designate the person's estate as the beneficiary of the transfer.

(b) A beneficiary designation made under this chapter must do the following:

(1) Designate the beneficiary of a transfer on death transfer.

(2) Make the transfer effective upon the death of the owner of the property being transferred.

(3) Comply with this chapter, the conditions of any governing instrument, and any other applicable law.

(c) For purposes of construing this chapter or a beneficiary designation made under this chapter, the death of the last surviving owner of property held by joint owners is considered the death of the owner.

(d) Except as otherwise provided in this chapter, a transfer on death direction is accomplished in a form

substantially similar to the following:

(1) Insert Name of the Owner or Owners.

(2) Insert "Transfer on death to" or "TOD" or "Pay on death to" or "POD".

(3) Insert the Name of the Beneficiary or Beneficiaries.

(e) An owner may revoke or change a beneficiary designation at any time before the owner's death.

Sec. 5. A transfer on death transfer:

(1) is effective with or without consideration;

(2) is not considered testamentary;

(3) is not subject to the requirements for a will or for probating a will under IC 29-1; and

(4) may be subject to an agreement between the owner and a transferring entity to carry out the owner's intent to transfer the property under this chapter.

Sec. 6. For the purpose of discharging its duties under this chapter, the authority of a transferring entity acting as agent for an owner of property subject to a transfer on death transfer does not cease at the death of the owner. The transferring entity shall transfer the property to the designated beneficiary in accordance with the beneficiary designation and this chapter.

Sec. 7. (a) If any of the following are required, an agreement between the owner and the transferring entity is necessary to carry out a transfer on death transfer, which may be made in accordance with the rules, terms, and conditions set forth in the agreement:

(1) The submission to the transferring entity of a beneficiary designation under a governing instrument.

(2) Registration by a transferring entity of a transfer on death direction on any certificate or record evidencing ownership of property.

(3) Consent of a contract obligor for a transfer of performance due under the contract.

(4) Consent of a financial institution for a transfer of an obligation of the financial institution.

(5) Consent of a transferring entity for a transfer of an interest in the transferring entity.

(b) When subsection (a) applies, a transferring entity is not required to accept an owner's request to assist the owner in carrying out a transfer on death transfer.

(c) If a beneficiary designation, revocation, or change is subject to acceptance by a transferring entity, the transferring entity's acceptance of the beneficiary designation, revocation, or change relates back to and is effective as of the time the request was received by the transferring entity.

Sec. 8. (a) If a transferring entity accepts a beneficiary designation or beneficiary assignment or registers property in beneficiary form, the acceptance or registration constitutes the agreement of the owner and the transferring entity that, subject to this section, the owner's property will be transferred to and placed in the name and control of the beneficiary in accordance with the beneficiary designation or transfer on death direction, the agreement between the parties, and this chapter.

(b) An agreement described in subsection (a) is subject to the owner's power to revoke or change a beneficiary designation before the owner's death.

(c) A transferring entity's duties under an agreement described in subsection (a) are subject to the following:

(1) Receiving proof of the owner's death.

(2) Complying with the transferring entity's requirements for proof that the beneficiary is entitled to receive the property.

Sec. 9. (a) Except as provided in subsection (c), a beneficiary designation that satisfies the requirements of subsection (b):

(1) authorizes a transfer of property under this chapter;

(2) is effective on the death of the owner of the property; and

(3) transfers the right to receive the property to the designated beneficiary who survives the death of the owner.

(b) A beneficiary designation is effective under subsection (a) if the beneficiary designation is:

(1) executed; and

(2) delivered;

in proper form to the transferring entity before the death of the owner.

(c) A transferring entity shall make a transfer described in subsection (a)(3) unless there is clear and convincing evidence of the owner's different intention at the time the beneficiary designation was created.

Sec. 10. (a) A written assignment of a contract right that:

(1) assigns the right to receive any performance remaining due under the contract to an assignee designated by the owner; and

(2) expressly states that the assignment does not take effect until the death of the owner;

transfers the right to receive performance due under the contract to the designated assignee beneficiary if the assignment satisfies the requirements of subsection (b).

(b) A written assignment described in subsection (a) is effective upon the death of the owner if the assignment is:

(1) executed; and

(2) delivered;

in proper form to the contract obligor before the death of the owner.

(c) A beneficiary assignment described in this section is not required to be supported by consideration or delivered to the assignee beneficiary.

(d) This section does not preclude other methods of assignment that are permitted by law and have the effect of postponing the enjoyment of the contract right until after the death of the owner.

Sec. 11. (a) A transfer on death deed transfers the interest provided to the beneficiary if the transfer on death deed is:

(1) executed in proper form; and

(2) recorded with the recorder of deeds in the county in which the real property is situated before the death of the owner.

(b) A transfer on death deed is void if it is not recorded with the recorder of deeds in the county in which the real property is situated before the death of the owner.

(c) A transfer on death deed is not required to be supported by consideration or delivered to the grantee beneficiary.

(d) A transfer on death deed may be used to transfer an interest in real property to either a revocable or an irrevocable trust.

(e) If the owner makes a transfer on death deed, the effect of the conveyance is determined as follows:

(1) If the owner's interest in the real property is as a tenant by the entirety, the conveyance is inoperable and void unless the other spouse joins in the conveyance.

(2) If the owner's interest in the real property is as a joint tenant with rights of survivorship, the conveyance severs the joint tenancy and the cotenancy becomes a tenancy in common.

(3) If the owner's interest in the real property is as a joint tenant with rights of survivorship and the property is subject to a beneficiary designation, a conveyance of any joint owner's interest has no effect on the original beneficiary designation for the nonsevering joint tenant.

(4) If the owner's interest is as a tenant in common, the owner's interest passes to the beneficiary as a transfer on death transfer.

(5) If the owner's interest is a life estate determined by the owner's life, the conveyance is inoperable and void.

(6) If the owner's interest is any other interest, the interest passes in accordance with this chapter and the terms and conditions of the conveyance establishing the interest. If a conflict exists between the conveyance establishing the interest and this chapter, the terms and conditions of the conveyance establishing the interest prevail.

(f) A beneficiary designation in a transfer on death deed may be worded in substance as "(insert owner's name) conveys and warrants (or quitclaims) to (insert owner's name), TOD to (insert beneficiary's name)". This example is not intended to be exhaustive.

(g) A transfer on death deed using the phrase "pay on death to" or the abbreviation "POD" may not be construed to require the liquidation of the real property being transferred.

(h) This section does not preclude other methods of conveying real property that are permitted by law and have the effect of postponing enjoyment of an interest in real property until after the death of the owner. This section applies only to transfer on death deeds and does not invalidate any deed that is otherwise effective by law to convey title to the interest and estates provided in the deed.

Sec. 12. (a) A deed of gift, bill of sale, or other writing intended to transfer an interest in tangible personal property is effective on the death of the owner and transfers ownership to the designated transferee beneficiary if the document:

(1) expressly creates ownership in beneficiary form;

(2) is in other respects sufficient to transfer the type of property involved; and

(3) is executed by the owner and acknowledged before a notary public or other person authorized to administer oaths.

(b) A beneficiary transfer document described in this section is not required to be supported by consideration or delivered to the transferee beneficiary.

(c) This section does not preclude other methods of transferring ownership of tangible personal property that are permitted by law and have the effect of postponing enjoyment of the property until after the death of the owner.

Sec. 13. (a) A transferor of property, with or without consideration, may execute a written instrument directly transferring the property to a transferee to hold as owner in beneficiary form.

(b) A transferee under an instrument described in subsection (a) is considered the owner of the property for all purposes and has all the rights to the property provided by law to the owner of the property, including the right to revoke or change the beneficiary designation.

(c) A direct transfer of property to a transferee to hold as owner in beneficiary form is effective when the written instrument perfecting the transfer becomes effective to make the transferee the owner.

Sec. 14. (a) Property may be held or registered in beneficiary form by including in the name in which the property is held or registered a direction to transfer the property on the death of the owner to a beneficiary designated by the owner.

(b) Property is registered in beneficiary form by showing on the account record, security certificate, or instrument evidencing ownership of the property:

(1) the name of the owner and, if applicable, the estate by which two (2) or more joint owners hold the property; and

(2) an instruction substantially similar in form to "transfer on death to (insert name of beneficiary)".

An instruction to "pay on death to (insert name of the beneficiary)" and the use of the abbreviations "TOD" and "POD" are also permitted by this section.

(c) Only a transferring entity or a person authorized by the transferring entity may place a transfer on death direction described by this section on an account record, a security certificate, or an instrument evidencing ownership of property.

(d) A transfer on death direction described by this section is effective on the death of the owner and transfers the owner's interest in the property to the designated beneficiary if:

(1) the property is registered in beneficiary form before the death of the owner; or

(2) the transfer on death direction is delivered in proper form to the transferring entity before the owner's death.

(e) An account record, security certificate, or instrument evidencing ownership of property that contains a transfer on death direction written as part of the name in which the property is held or registered is conclusive evidence, in the absence of fraud, duress, undue influence, lack of capacity, or mistake, that the direction was:

(1) regularly made by the owner;

(2) accepted by the transferring entity; and

(3) not revoked or changed before the owner's death.

Sec. 15. (a) Before the death of the owner, a beneficiary has no rights in the property because of the beneficiary designation. The signature or agreement of the beneficiary is not required for any transaction relating to property transferred under this chapter. If a lienholder takes action to enforce a lien, by foreclosure or otherwise through a court proceeding, it is not necessary to join the beneficiary as a party defendant in the action unless the beneficiary has another interest in the real property that has vested.

(b) On the death of one (1) of two (2) or more joint owners, property with respect to which a beneficiary designation has been made belongs to the surviving joint owner or owners. If at least two (2) joint owners survive, the right of survivorship continues as between the surviving owners.

(c) On the death of a tenant by the entireties, property with respect to which a beneficiary designation has been made belongs to the surviving tenant.

(d) On the death of the owner, property with respect to which a beneficiary designation has been made passes by operation of law to the beneficiary.

(e) If two (2) or more beneficiaries survive, there is no right of survivorship among the beneficiaries when the death of a beneficiary occurs after the death of the owner unless the beneficiary designation expressly provides for survivorship among the beneficiaries. Except as expressly provided otherwise, the surviving beneficiaries hold their separate interest in the property as tenants in common. The share of any beneficiary who dies after the owner dies belongs to the deceased beneficiary's estate.

(f) If no beneficiary survives the owner, the property belongs to the estate of the owner unless the beneficiary designation directs the transfer to a substitute beneficiary in the manner required by section 22 of this chapter.

Sec. 16. (a) A beneficiary designation may be revoked or changed during the lifetime of the owner.

(b) A revocation or change of a beneficiary designation involving property owned as tenants by the entirety must be made with the agreement of both tenants for so long as both tenants are alive. After an individual dies owning as a tenant by the entirety property that is subject to a beneficiary designation, the individual's surviving spouse may revoke or change the beneficiary designation.

(c) A revocation or change of a beneficiary designation involving property owned in a form of ownership (other than

as tenants by the entirety) that restricts conveyance of the interest unless another person joins in the conveyance must be made with the agreement of each living owner required to join in a conveyance.

(d) A revocation or change of a beneficiary designation involving property owned by joint owners with a right of survivorship must be made with the agreement of each living owner.

(e) A subsequent beneficiary designation revokes a prior beneficiary designation unless the subsequent beneficiary designation expressly provides otherwise.

(f) A revocation or change in a beneficiary designation must comply with the terms of any governing instrument, this chapter, and any other applicable law.

(g) A beneficiary designation may not be revoked or changed by a will unless the beneficiary designation expressly grants the owner the right to revoke or change the beneficiary designation by a will.

(h) A transfer during the owner's lifetime of the owner's interest in the property, with or without consideration, terminates the beneficiary designation with respect to the property transferred.

(i) The effective date of a revocation or change in a beneficiary designation is determined in the same manner as the effective date of a beneficiary designation.

(j) An owner may revoke a beneficiary designation made in a transfer on death deed by executing and recording with the recorder of deeds in the county in which the real property is situated either:

(1) a subsequent deed of conveyance revoking, omitting, or changing the beneficiary designation; or

(2) an affidavit acknowledged or proved under IC 32-21-2-3 that revokes or changes the beneficiary designation.

(k) A physical act, such as a written modification on or the destruction of a transfer on death deed after the transfer on death deed has been recorded, has no effect on the beneficiary designation.

(l) A transfer on death deed may not be revoked or modified by will or trust.

Sec. 17. (a) An attorney in fact, guardian, conservator, or other agent acting on the behalf of the owner of property may make, revoke, or change a beneficiary designation if:

(1) the action complies with the terms of this chapter and any other applicable law; and

(2) the action is not expressly forbidden by the document establishing the agent's right to act on behalf of the owner.

(b) An attorney in fact, guardian, conservator, or other agent may withdraw, sell, pledge, or otherwise transfer property that is subject to a beneficiary designation notwithstanding the fact that the effect of the transaction may be to extinguish a beneficiary's right to receive a transfer of the property at the death of the owner.

(c) The rights of a beneficiary to any part of property that is subject to a beneficiary designation after the death of the owner are determined under IC 29-3-8-6.5 if:

(1) a guardian or conservator takes possession of the property;

(2) the guardian sells, transfers, encumbers, or consumes the property during the protected person's lifetime; and

(3) the owner subsequently dies.

Sec. 18. If property subject to a beneficiary designation is lost, destroyed, damaged, or involuntarily converted during the owner's lifetime, the beneficiary succeeds to any right with respect to the loss, destruction, damage, or involuntary conversion that the owner would have had if the owner had survived. However, the beneficiary has no interest in any payment or substitute property received by the owner during the owner's lifetime.

Sec. 19. (a) A beneficiary of a transfer on death transfer takes the owner's interest in the property at the death of the owner subject to all conveyances, assignments, contracts, set offs, licenses, easements, liens, and security interests made by the owner or to which the owner was subject during the owner's lifetime.

(b) A beneficiary of a transfer on death transfer of an account with a bank, savings and loan association, credit union, broker, or mutual fund takes the owner's interest in the property at the death of the owner subject to all requests for payment of money issued by the owner before the owner's death, whether paid by the transferring entity before or after the owner's death, or unpaid. The beneficiary is liable to the payee of an unsatisfied request for payment to the extent that the request represents an obligation that was enforceable against the owner during the owner's lifetime.

(c) Each beneficiary's liability with respect to an unsatisfied request for payment is limited to the same proportionate share of the request for payment as the beneficiary's proportionate share of the account under the beneficiary designation. Each beneficiary has the right of contribution from the other beneficiaries with respect to a request for payment that is satisfied after the owner's death, to the extent that the request for payment would have been enforceable by the payee during the owner's lifetime.

Sec. 20. An individual who is a beneficiary of a transfer on death transfer is not entitled to a transfer unless the individual:

(1) survives the owner; and

(2) survives the owner by the time, if any, required by the terms of the beneficiary designation.

Sec. 21. (a) A trustee of a trust may be a designated beneficiary regardless of whether the trust is amendable, revocable, irrevocable, funded, unfunded, or amended after the designation is made.

(b) Unless a beneficiary designation provides otherwise, a trust that is revoked or terminated before the death of the owner is considered nonexistent at the owner's death.

(c) Unless a beneficiary designation provides otherwise, a legal entity or trust that does not:

(1) exist; or

(2) come into existence effective as of the owner's death;

is considered nonexistent at the owner's death.

Sec. 22. (a) Notwithstanding sections 9 and 20 of this chapter, a designated beneficiary's rights under this chapter are not extinguished when the designated beneficiary does not survive the owner if:

(1) subsection (b) applies in the case of a designated beneficiary who is a lineal descendant of the owner; or

(2) subsection (d) applies in the case of a designated beneficiary who is not a lineal descendant of the owner.

(b) If a designated beneficiary who is a lineal descendant of the owner:

(1) is deceased at the time the beneficiary designation is made;

(2) does not survive the owner; or

(3) is treated as not surviving the owner;

the beneficiary's right to a transfer on death transfer belongs to the beneficiary's lineal descendants per stirpes who survive the owner unless the owner provides otherwise under subsection (c).

(c) An owner may execute a beneficiary designation to which subsection (b) does not apply by:

(1) making the notation "No LDPS" after a beneficiary's name; or

(2) including other words negating an intention to direct the transfer to the lineal descendant substitutes of the nonsurviving beneficiary.

(d) An owner may execute a beneficiary designation that

provides that the right to a transfer on death transfer belonging to a beneficiary who is not a lineal descendant of the owner and does not survive the owner belongs to the beneficiary's lineal descendants per stirpes who survive the owner. An owner's intent to direct the transfer to the nonsurviving beneficiary's lineal descendants must be shown by either of the following on the beneficiary designation after the name of the beneficiary:

(1) The words "and lineal descendants per stirpes".

(2) The notation "LDPS".

(e) When two (2) or more individuals receive a transfer on death transfer as substitute beneficiaries under subsection (b) or (d), the individuals are entitled to equal shares of the property if they are of the same degree of kinship to the nonsurviving beneficiary. If the substitute beneficiaries are of unequal degrees of kinship, an individual of a more remote degree is entitled by representation to the share that would otherwise belong to the individual's parent.

(f) If:

(1) a designated beneficiary of a transfer on death transfer does not survive the owner;

(2) either subsection (b) or (d) applies; and

(3) no lineal descendant of the designated beneficiary survives the owner;

the right to receive the property transferred belongs to the other surviving beneficiaries. If no other beneficiary survives the owner, the property belongs to the owner's estate.

Sec. 23. (a) If, after an owner makes a beneficiary designation, the owner's marriage is dissolved or annulled, any provision of the beneficiary designation in favor of the owner's former spouse is revoked on the date the marriage is dissolved or annulled. Revocation under this subsection is effective regardless of whether the beneficiary designation refers to the owner's marital status. The beneficiary designation is given effect as if the former spouse had not survived the owner.

(b) Subsection (a) does not apply to a provision of a beneficiary designation that:

(1) has been made irrevocable, or revocable only with the spouse's consent;

(2) is made after the marriage is dissolved or annulled; or

(3) expressly states that the dissolution or annulment of the marriage does not affect the designation of a spouse or a relative of the spouse as a beneficiary.

(c) A provision of a beneficiary designation that is revoked solely by subsection (a) is revived by the owner's remarriage to the former spouse or by a nullification of the dissolution or annulment of the marriage.

(d) This section does not apply to any employee benefit plan governed by the Employee Retirement Income Security Act of 1974.

Sec. 24. (a) A beneficiary designation or a revocation of a beneficiary designation that is procured by fraud, duress, undue influence, or mistake or because the owner lacked capacity is void.

(b) A beneficiary designation made under this chapter is subject to IC 29-1-2-12.1.

Sec. 25. (a) No law intended to protect a spouse or child from disinheritance by the will of a testator applies to a transfer on death transfer.

(b) A beneficiary designation designating the children of the owner or children of any other person as a class and not by name includes all children of the person regardless of whether the child is born or adopted before or after the beneficiary designation is made.

(c) Except as provided in subsection (d), a child of the owner born or adopted after the owner makes a beneficiary designation that names another child of the owner as the beneficiary is entitled to receive a fractional share of the property that would otherwise be transferred to the named beneficiary. The share of the property to which each child of the owner is entitled to receive is expressed as a fraction in which the numerator is one (1) and the denominator is the total number of the owner's children.

(d) A beneficiary designation or a governing instrument may provide that subsection (c) does not apply to an owner's beneficiary designation. In addition, a transferring entity is not obligated to apply subsection (c) to property registered in beneficiary form.

(e) If a beneficiary designation does not name any child of the owner as the designated beneficiary with respect to a particular property interest, a child of the owner born or adopted after the owner makes the beneficiary designation is not entitled to any share of the property interest subject to the designation.

Sec. 26. (a) If an agreement between the owner and a transferring entity is required to carry out a transfer on death transfer as described in section 7 of this chapter, a transferring entity may not adopt rules for the making, execution, acceptance, and revocation of a beneficiary designation that are inconsistent with this chapter. A transferring entity may adopt the rules imposed by subsection (b) in whole or in part by incorporation by reference.

(b) Except as otherwise provided in a beneficiary designation, a governing instrument, or any other applicable law, the following rules apply to a beneficiary designation:

(1) A beneficiary designation or a request for registration of property in beneficiary form must be made in writing, signed by the owner, dated, and, in the case of a transfer on death deed, compliant with all requirements for the recording of deeds.

(2) A security that is not registered in the name of the owner may be registered in beneficiary form on instructions given by a broker or person delivering the security.

(3) A beneficiary designation may designate one (1) or more primary beneficiaries and one (1) or more contingent beneficiaries.

(4) On property registered in beneficiary form, a primary beneficiary is the person shown immediately following the transfer on death direction. Words indicating that the person is a primary beneficiary are not required. The name of a contingent beneficiary in the registration must have the words "contingent beneficiary" or words of similar meaning to indicate the contingent nature of the interest being transferred.

(5) Multiple surviving beneficiaries share equally in the property being transferred unless a different percentage or fractional share is stated for each beneficiary. If a percentage or fractional share is designated for multiple beneficiaries, the surviving beneficiaries share in the proportion that their designated shares bear to each other.

(6) A transfer of unequal shares to multiple beneficiaries for property registered in beneficiary form may be expressed in numerical form following the name of the beneficiary in the registration.

(7) A transfer on death transfer of property also transfers any interest, rent, royalties, earnings, dividends, or credits earned or declared on the property but not paid or credited before the owner's death.

(8) If a distribution by a transferring entity under a transfer on death transfer results in fractional shares in a security or other property that is not divisible, the transferring entity may distribute the fractional shares in the name of all beneficiaries as tenants in common or as the beneficiaries may direct, or the transferring

entity may sell the property that is not divisible and distribute the proceeds to the beneficiaries in the proportions to which they are entitled.

(9) On the death of the owner, the property, minus all amounts and charges owed by the owner to the transferring entity, belongs to the surviving beneficiaries and, in the case of substitute beneficiaries permitted under section 22 of this chapter, the lineal descendants of designated beneficiaries who did not survive the owner are entitled to the property as follows:

(A) If there are multiple primary beneficiaries and a primary beneficiary does not survive the owner and does not have a substitute under section 22 of this chapter, the share of the nonsurviving beneficiary is allocated among the surviving beneficiaries in the proportion that their shares bear to each other.

(B) If there are no surviving primary beneficiaries and there are no substitutes for the nonsurviving primary beneficiaries under section 22 of this chapter, the property belongs to the surviving contingent beneficiaries in equal shares or according to the percentages or fractional shares stated in the registration.

(C) If there are multiple contingent beneficiaries and a contingent beneficiary does not survive the owner and does not have a substitute under section 22 of this chapter, the share of the nonsurviving contingent beneficiary is allocated among the surviving contingent beneficiaries in the proportion that their shares bear to each other.

(10) If a trustee designated as a beneficiary:

(A) does not survive the owner;

(B) resigns; or

(C) is unable or unwilling to execute the trust as trustee and no successor trustee is appointed in the twelve (12) months following the owner's death;

the transferring entity may make the distribution as if the trust did not survive the owner.

(11) If a trustee is designated as a beneficiary and no trust instrument or probated will creating an express trust is presented to the transferring entity, the transferring entity may make the distribution as if the trust did not survive the owner.

(12) If the transferring entity is not presented evidence during the twelve (12) months after the owner's death that there are lineal descendants of a nonsurviving beneficiary for whom LDPS distribution applies who survived the owner, the transferring entity may make the transfer as if the nonsurviving beneficiary's descendants also failed to survive the owner.

(13) If a beneficiary cannot be located at the time the transfer is made to located beneficiaries, the transferring entity shall hold the missing beneficiary's share. If the missing beneficiary's share is not claimed by the beneficiary or by the beneficiary's personal representative or successor during the twelve (12) months after the owner's death, the transferring entity shall transfer the share as if the beneficiary did not survive the owner.

(14) A transferring entity has no obligation to attempt to locate a missing beneficiary, to pay interest on the share held for a missing beneficiary, or to invest the share in any different property.

(15) Cash, interest, rent, royalties, earnings, or dividends payable to a missing beneficiary may be held by the transferring entity at interest or reinvested by the transferring entity in the account or in a dividend reinvestment account associated with a security held for the missing beneficiary.

(16) If a transferring entity is required to make a transfer on death transfer to a minor or an incapacitated adult, the transfer may be made under the Indiana Uniform Transfers to Minors Act, the Indiana Uniform Custodial Trust Act, or a similar law of another state.

(17) A written request for the execution of a transfer on death transfer may be made by any beneficiary, a beneficiary's legal representative or attorney in fact, or the owner's personal representative.

(18) A transfer under a transfer on death deed occurs automatically upon the owner's death subject to the requirements of subdivision (20) and does not require a request for the execution of the transfer.

(19) A written request for the execution of a transfer on death transfer must be accompanied by the following:

(A) A certificate or instrument evidencing ownership of the contract, account, security, or property.

(B) Proof of the deaths of the owner and any nonsurviving beneficiary.

(C) An inheritance tax waiver from states that require it.

(D) In the case of a request by a legal representative, a copy of the instrument creating the legal authority or a certified copy of the court order appointing the legal representative.

(E) Any other proof of the person's entitlement that the transferring entity may require.

(20) On the death of an owner whose transfer on death deed has been recorded, the beneficiary shall file an affidavit in the office of the recorder of the county in which the real property is located. The affidavit must contain the following:

(A) The legal description of the property.

(B) A certified copy of the death certificate certifying the owner's death.

(C) The name and address of each designated beneficiary who survives the owner or is in existence on the date of the owner's death.

(D) The name of each designated beneficiary who has not survived the owner's death or is not in existence on the date of the owner's death.

(E) A cross-reference to the recorded transfer on death deed.

(c) A beneficiary designation is presumed to be valid. A party may rely on the presumption of validity unless the party has actual knowledge that the beneficiary designation was not validly executed. A person who acts in good faith reliance on a transfer on death deed is immune from liability to the same extent as if the person had dealt directly with the named owner and the named owner had been competent and not incapacitated.

Sec. 27. (a) An owner who makes arrangements for a transfer on death transfer under this chapter gives to the transferring entity the protections provided in this section for executing the owner's beneficiary designation.

(b) A transferring entity may execute a transfer on death transfer with or without a written request for execution.

(c) A transferring entity may rely and act on:

(1) a certified or authenticated copy of a death certificate issued by an official or an agency of the place where the death occurred as showing the fact, place, date, and time of death and the identity of the decedent; and

(2) a certified or authenticated copy of a report or record of any governmental agency that a person is missing, detained, dead, or alive, and the dates, circumstances, and places disclosed by the record or report.

(d) A transferring entity has no duty to verify the information contained within a written request for the execution of a beneficiary designation. The transferring entity may rely and act on a request made by a beneficiary or a beneficiary's attorney in fact, guardian, conservator, or other agent.

(e) A transferring entity has no duty to:

(1) except as provided in subsection (g), give notice to any person of the date, manner, and persons to whom a transfer will be made under beneficiary designation;

(2) attempt to locate any beneficiary or lineal descendant substitute;

(3) determine whether a nonsurviving beneficiary or descendant had a lineal descendant who survived the owner;

(4) locate a trustee or custodian;

(5) obtain the appointment of a successor trustee or custodian;

(6) discover the existence of a trust instrument or will that creates an express trust; or

(7) determine any fact or law that would:

(A) cause the beneficiary designation to be revoked in whole or in part as to any person because of a change in marital status or other reason; or

(B) cause a variation in the distribution provided in the beneficiary designation.

(f) A transferring entity has no duty to withhold making a transfer based on knowledge of any fact or claim adverse to the transfer to be made unless before making the transfer the transferring entity receives a written notice that:

(1) in manner, place, and time affords a reasonable opportunity to act on the notice before making the transfer; and

(2) does the following:

(A) Asserts a claim of beneficial interest in the transfer adverse to the transfer to be made.

(B) Gives the name of the claimant and an address for communications directed to the claimant.

(C) Identifies the deceased owner.

(D) States the nature of the claim as it affects the transfer.

(g) If a transferring entity receives a timely notice meeting the requirements of subsection (f), the transferring entity may discharge any duty to the claimant by sending a notice by certified mail to the claimant at the address provided by the claimant's notice of claim. The notice must advise the claimant that a transfer to the claimant's asserted claim will be made at least forty-five (45) days after the date of the mailing unless the transfer is restrained by a court order. If the transferring entity mails the notice described by this subsection to the claimant, the transferring entity shall withhold making the transfer for at least forty-five (45) days after the date of the mailing. Unless the transfer is restrained by court order, the transferring entity may make the transfer at least forty-five (45) days after the date of the mailing.

(h) Neither notice that does not comply with the requirements of subsection (f) nor any other information shown to have been available to a transferring entity, its transfer agent, or its employees affects the transferring entity's right to the protections provided by this chapter.

(i) A transferring entity is not responsible for the application or use of property transferred to a fiduciary entitled to receive the property.

(j) Notwithstanding the protections provided a transferring entity by this chapter, a transferring entity may require parties engaged in a dispute over the propriety of a transfer to:

(1) adjudicate their respective rights; or

(2) furnish an indemnity bond protecting the transferring entity.

(k) A transfer by a transferring entity made in accordance with this chapter and under the beneficiary designation in good faith and reliance on information the transferring entity reasonably believes to be accurate discharges the transferring entity from all claims for the amounts paid and the property transferred.

(l) All protections provided by this chapter to a transferring entity are in addition to the protections provided by any other applicable Indiana law.

Sec. 28. (a) The protections provided to a transferring entity or to a purchaser or lender for value by this chapter do not affect the rights of beneficiaries or others involved in disputes that:

(1) are with parties other than a transferring entity or purchaser or lender for value; and

(2) concern the ownership of property transferred under this chapter.

(b) Unless the payment or transfer can no longer be challenged because of adjudication, estoppel, or limitations, a transferee of money or property under a transfer on death transfer that was improperly distributed or paid is liable for:

(1) the return of the money or property, including income earned on the money or property, to the transferring entity; or

(2) the delivery of the money or property, including income earned on the money or property, to the rightful transferee.

(c) If a transferee of money or property under a transfer on death transfer that was improperly distributed or paid does not have the property, the transferee is liable for an amount equal to the sum of:

(1) the value of the property as of the date of the disposition; and

(2) the income and gain that the transferee received from the property and its proceeds.

(d) If a transferee of money or property under a transfer on death transfer that was improperly distributed or paid encumbers the property, the transferee shall satisfy the debt incurred in an amount sufficient to release any security interest, lien, or other encumbrance on the property.

(e) A purchaser for value of property or a lender who acquires a security interest in the property from a beneficiary of a transfer on death transfer:

(1) in good faith; or

(2) without actual knowledge that:

(A) the transfer was improper; or

(B) information in an affidavit provided under section 26(b)(20) of this chapter was not true;

takes the property free of any claims of or liability to the owner's estate, creditors of the owner's estate, persons claiming rights as beneficiaries of the transfer on death transfer, or heirs of the owner's estate. A purchaser or lender for value has no duty to verify sworn information relating to the transfer on death transfer.

(f) The protection provided by subsection (e) applies to information that relates to the beneficiary's ownership interest in the property and the beneficiary's right to sell, encumber, and transfer good title to a purchaser or lender but does not relieve a purchaser or lender from the notice provided by instruments of record with respect to the property.

(g) A transfer on death transfer that is improper under section 22, 23, 24, or 25 of this chapter imposes no liability on the transferring entity if the transfer is made in good faith. The remedy of a rightful transferee must be obtained in an action against the improper transferee.

Sec. 29. (a) This chapter does not limit the rights of an owner's creditors against beneficiaries and other transferees that may be available under any other applicable Indiana law.

(b) The liability of a beneficiary for creditor claims and statutory allowances is determined under IC 32-17-13.

Sec. 30. Except as otherwise provided by law, a transfer on death transfer and the obligation of a transferring entity to execute the transfer on death transfer that are subject to this chapter under section 2(b) of this chapter remain subject to this chapter notwithstanding a change in the:

(1) beneficiary designation;

(2) residency of the owner;

(3) residency or place of business of the transferring entity; or

(4) location of the property.

Sec. 31. (a) The probate court shall hear and determine questions and issue appropriate orders concerning the determination of the beneficiary who is entitled to receive a transfer on death transfer and the proper share of each beneficiary.

(b) The probate court shall hear and determine questions and issue appropriate orders concerning any action to:

(1) obtain the distribution of any money or property from a transferring entity; or

(2) with respect to money or property that was improperly distributed to any person, obtain the return of:

(A) any money or property and income earned on the money or property; or

(B) an amount equal to the sum of the value of the money or property plus income and gain realized from the money or property.

Sec. 32. (a) Except for transfer on death deeds, a beneficiary designation that purports to have been made and is valid under:

(1) the Uniform Probate Code as enacted by another state;

(2) the Uniform TOD Security Registration Law as enacted by another state; or

(3) a similar law of another state;

is governed by the law of that state.

(b) A transfer on death transfer subject to a law described in subsection (a) may be executed and enforced in Indiana.

(c) Except for transfer on death deeds, the meaning and legal effect of a transfer on death transfer is determined by the law of the state selected in a governing instrument or beneficiary designation.

SECTION 30. IC 32-21-2-3, AS AMENDED BY P.L.194-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) For a conveyance, a mortgage, or an instrument of writing to be recorded, it must be:

(1) acknowledged by the grantor; or

(2) proved before a:

(A) judge;

(B) clerk of a court of record;

(C) county auditor;

(D) county recorder;

(E) notary public;

(F) mayor of a city in Indiana or any other state;

(G) commissioner appointed in a state other than Indiana by the governor of Indiana;

(H) minister, charge d'affaires, or consul of the United States in any foreign country;

(I) clerk of the city county council for a consolidated city, city clerk for a second class city, or clerk-treasurer for a third class city;

(J) clerk-treasurer for a town; or

(K) person authorized under IC 2-3-4-1.

(b) In addition to the requirements under subsection (a), a conveyance may not be recorded after June 30, 2007, unless it meets the requirements of this subsection. ~~If~~ **The conveyance must include** the mailing address ~~on the conveyance~~ **to which statements should be mailed under IC 6-1.1-22-8.1. If the mailing address for statements under IC 6-1.1-22-8.1** is not a street address or a rural route address of the grantee, the conveyance must also include a street address or rural route address of the grantee after the mailing address **for statements mailed under IC 6-1.1-22-8.1. A conveyance complies with this subsection if it contains the address or addresses required by this subsection at the end of the conveyance and immediately preceding or following the statements required by IC 36-2-11-15.**

SECTION 31. IC 34-9-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) This section applies when a person:

(1) receives personal injuries caused by the wrongful act or omission of another; and

(2) subsequently dies from causes other than those personal injuries.

(b) The personal representative of the decedent who was injured may maintain an action against the wrongdoer to recover all damages resulting before the date of death from those injuries that the decedent would have been entitled to recover had the decedent lived. The damages:

(1) inure to the exclusive benefit of the decedent's estate; **and**

(2) are subject to IC 6-4.1.".

Page 8, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 33. IC 34-30-2-125.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 125.4. IC 29-2-19-11 (Concerning a person who relies on a funeral planning declaration).**

SECTION 34. IC 34-30-2-134.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 134.8. IC 32-17-14-26(c) (Concerning a person acting in good faith reliance on a transfer on death deed).**

SECTION 35. IC 35-41-4-2, AS AMENDED BY P.L.173-2006, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) Except as otherwise provided in this section, a prosecution for an offense is barred unless it is commenced:

(1) within five (5) years after the commission of the offense, in the case of a Class B, Class C, or Class D felony; or

(2) within two (2) years after the commission of the offense, in the case of a misdemeanor.

(b) A prosecution for a Class B or Class C felony that would otherwise be barred under this section may be commenced within one (1) year after the earlier of the date on which the state:

(1) first discovers evidence sufficient to charge the offender with the offense through DNA (deoxyribonucleic acid) analysis; or

(2) could have discovered evidence sufficient to charge the offender with the offense through DNA (deoxyribonucleic acid) analysis by the exercise of due diligence.

(c) A prosecution for a Class A felony may be commenced at any time.

(d) A prosecution for murder may be commenced:

(1) at any time; and

(2) regardless of the amount of time that passes between:

(A) the date a person allegedly commits the elements of murder; and

(B) the date the alleged victim of the murder dies.

(e) A prosecution for the following offenses is barred unless commenced before the date that the alleged victim of the offense reaches thirty-one (31) years of age:

(1) IC 35-42-4-3(a) (Child molesting).

(2) IC 35-42-4-5 (Vicarious sexual gratification).

(3) IC 35-42-4-6 (Child solicitation).
(4) IC 35-42-4-7 (Child seduction).
(5) IC 35-46-1-3 (Incest).

(f) A prosecution for forgery of an instrument for payment of money, or for the uttering of a forged instrument, under IC 35-43-5-2, is barred unless it is commenced within five (5) years after the maturity of the instrument.

(g) If a complaint, indictment, or information is dismissed because of an error, defect, insufficiency, or irregularity, a new prosecution may be commenced within ninety (90) days after the dismissal even if the period of limitation has expired at the time of dismissal, or will expire within ninety (90) days after the dismissal.

(h) The period within which a prosecution must be commenced does not include any period in which:

(1) the accused person is not usually and publicly resident in Indiana or so conceals himself or herself that process cannot be served;

(2) the accused person conceals evidence of the offense, and evidence sufficient to charge the person with that offense is unknown to the prosecuting authority and could not have been discovered by that authority by exercise of due diligence; or

(3) the accused person is a person elected or appointed to office under statute or constitution, if the offense charged is theft or conversion of public funds or bribery while in public office.

(i) For purposes of tolling the period of limitation only, a prosecution is considered commenced on the earliest of these dates:

(1) The date of filing of an indictment, information, or complaint before a court having jurisdiction.

(2) The date of issuance of a valid arrest warrant.

(3) The date of arrest of the accused person by a law enforcement officer without a warrant, if the officer has authority to make the arrest.

(j) A prosecution is considered timely commenced for any offense to which the defendant enters a plea of guilty, notwithstanding that the period of limitation has expired.

(k) The following apply to the specified offenses:

(1) A prosecution for an offense under IC 30-2-9-7(b) (misuse of funeral trust funds) is barred unless commenced within five (5) years after the date of death of the settlor (as described in IC 30-2-9).

(2) A prosecution for an offense under IC 30-2-10-9(b) (misuse of funeral trust funds) is barred unless commenced within five (5) years after the date of death of the settlor (as described in IC 30-2-10).

(3) A prosecution for an offense under IC 30-2-13-38(f) (misuse of funeral trust or escrow account funds) is barred unless commenced within five (5) years after the date of death of the purchaser (as defined in IC 30-2-13-9).

(l) A prosecution for an offense under IC 23-14-48-9 is barred unless commenced within five (5) years after the earlier of the date on which the state:

(1) first discovers evidence sufficient to charge the offender with the offense; or

(2) could have discovered evidence sufficient to charge the offender with the offense by the exercise of due diligence.".

Page 10, between lines 20 and 21, begin a new paragraph and insert:

"SECTION 37. [EFFECTIVE JULY 1, 2009] **IC 35-41-4-2, as amended by this act, applies only to crimes committed after June 30, 2009.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1287 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

L. LAWSON, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, to which was referred House Bill 1300, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning insurance.

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE UPON PASSAGE] **(a) The health finance commission established by IC 2-5-23-3 shall, during the 2009 interim, study:**

(1) the effect on insurers, health care providers, insureds, and other patients of a provision in an agreement with a provider under IC 27-8-11-3 requiring the provider to accept as patients more insureds than:

(A) the number of insureds specified in the agreement; or

(B) if there is not a number of insureds specified in the agreement, the number that, in the provider's professional judgment, is the greatest number of insureds that the provider is able to accept without endangering the provider's patients' access to or continuity of care;

(2) the effect on health maintenance organizations, participating providers, enrollees, and other patients of a provision in a contract between a health maintenance organization and a participating provider requiring the participating provider to accept as patients more enrollees than:

(A) the number of enrollees specified in the contract; or

(B) if there is not a number of enrollees specified in the contract, the number that, in the participating provider's professional judgment, is the greatest number of enrollees that the participating provider is able to accept without endangering the participating provider's patients' access to or continuity of care; and

(3) any other issue related to a provision described in subdivision (1) or (2), as determined by the health finance commission or the legislative council.

(b) The health finance commission shall, not later than November 1, 2009, report the health finance commission's findings and recommendations concerning the study conducted under subsection (a) to the legislative council in an electronic format under IC 5-14-6.

(c) This SECTION expires December 31, 2009.

SECTION 2. **An emergency is declared for this act.**

(Reference is to HB 1300 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

FRY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1336, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 4, line 11, after "IC 14-8-2-185)" insert "**by a:**

(A) nongovernmental employee; or

(B) governmental employee not acting within the scope of the employee's employment;".

Page 4, line 12, delete "." and insert "**, unless the loss is the result of an act or omission amounting to gross negligence, willful or wanton misconduct, or intentional misconduct.**".

(Reference is to HB 1336 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

AUSTIN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1416, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 9-24-6-2, AS AMENDED BY P.L.188-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) The bureau shall adopt rules under IC 4-22-2 to regulate persons required to hold a commercial driver's license.

(b) The rules must carry out 49 U.S.C. 521, 49 U.S.C. 31104, 49 U.S.C. 31301 through 31306, 49 U.S.C. 31308 through 31317, and 49 CFR 383 through 384, and may not be more restrictive than the federal Motor Carrier Safety Improvement Act of 1999 (MCSIA) (Public Law ~~106-159.113~~ **106-159, 113** Stat. 1748).

(c) Rules adopted under this section must include the following:

(1) Establishment of classes and periods of validation of commercial driver's licenses.

(2) Standards for commercial driver's licenses, including suspension and revocation procedures.

(3) Requirements for documentation of eligibility for legal employment, as set forth in 8 CFR 274a.2, and proof of Indiana residence.

(4) Development of written or oral tests, driving tests, and fitness requirements.

(5) Defining the commercial driver's licenses by classification and the information to be contained on the licenses, including a unique identifier of the holder.

(6) Establishing fees for the issuance of commercial driver's licenses, including fees for testing and examination.

(7) Procedures for the notification by the holder of a commercial driver's license to the bureau and the driver's employer of pointable traffic offense convictions.

(8) Conditions for reciprocity with other states, including requirements for a written commercial driver's license test and operational skills test, and a hazardous materials endorsement written test and operational skills test, before a license may be issued. **The rules must carry out 49 CFR 383.71(b) with respect to an application for a commercial driver's license for a holder of a commercial driver's license in another state who seeks a transfer of the commercial driver's license to Indiana.**

(9) Other rules necessary to administer this chapter.

(d) 49 CFR 383 through 384 are adopted as Indiana law.".

Page 2, after line 16, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "bureau" means the bureau of motor vehicles created by IC 9-14-1-1.**

(b) Notwithstanding IC 9-24-6-2(c)(8), as amended by this act, the bureau, under interim written guidelines approved by the commissioner of the bureau, shall provide that, after June 30, 2009, an application for a commercial driver's license for a holder of a commercial driver's license from another state be conducted in accordance with 49 CFR 383.71(b).

(c) This SECTION expires on the earlier of the following:

(1) The date rules are adopted under IC 9-24-6-2(c)(8), as amended by this act.

(2) December 31, 2010.

SECTION 4. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1416 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 6, nays 3.

AUSTIN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1530, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 6, line 37, after "commission." insert "**However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:**

(i) Make, when due, any payments required under clauses (A) through (K), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.

(ii) Make any reimbursements required under this subdivision.

(iii) Pay any expenses required under this subdivision.

(iv) Establish, augment, or restore any debt service reserve under this subdivision.".

Page 13, line 20, after "commission." insert "**However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:**

(i) Make, when due, any payments required under clauses (A) through (I), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.

(ii) Make any reimbursements required under this subdivision.

(iii) Pay any expenses required under this subdivision.

(iv) Establish, augment, or restore any debt service reserve under this subdivision.".

Page 16, line 26, delete "two" and insert "**three**".

Page 16, line 26, delete "($2,000,000)." and insert "**($3,000,000).**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1530 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BARTLETT, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to

which was referred House Bill 1551, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 36-4-3-23 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 23. (a) This section applies only if the annexed or disannexed territory has no population.**

(b) Notwithstanding section 7(b) of this chapter, an ordinance adopted under this chapter may take effect during the year preceding the year in which a federal decennial census is conducted.

(c) Notwithstanding section 12(b) or 15.5(d) of this chapter, if the court enters judgment in favor of the annexation, the annexation may take effect during the year preceding the year in which a federal decennial census is conducted.

(d) Notwithstanding section 19(f) of this chapter, a disannexation order under this chapter may take effect during the year preceding a year in which a federal decennial census is conducted.

SECTION 2. IC 36-4-3-7.1 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 3. **An emergency is declared for this act.**

(Reference is to HB 1551 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

V. SMITH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1607, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning transportation and to make an appropriation.

Page 4, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 4. [EFFECTIVE JULY 1, 2008 (RETROACTIVE)] **(a) The following definitions apply throughout this SECTION:**

(1)"Grant recipient" refers to the following:

(A) Northern Indiana Commuter Transportation District.

(B) Central Indiana Regional Transportation Authority.

(C) Indianapolis Public Transportation Corporation.

(2) "Phase 1 of the West Lake line" means a commuter transportation district project (as defined in IC 8-5-15-1) that extends passenger rail service by the Chicago, South Shore, and South Bend Railroad along a route to Lowell, Indiana.

(b) There is appropriated fifteen million dollars ($15,000,000) to the Northern Indiana Commuter Transportation District from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 for the purpose of relocating rail lines to the west side of the airport in South Bend, Indiana, beginning July 1, 2008, and ending June 30, 2010.

(c) There is appropriated fifteen million dollars ($15,000,000) to the Northern Indiana Commuter Transportation District from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 to conduct preliminary engineering and environmental studies and other activities necessary or appropriate to construct phase 1 of the West Lake line, beginning July 1, 2008, and ending June 30, 2010.

(d) There is appropriated five million dollars ($5,000,000) to the Northern Indiana Commuter Transportation District from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 to make railroad track safety and efficiency improvements in Michigan City, Indiana, beginning July 1, 2008, and ending June 30, 2010.

(e) There is appropriated fifteen million dollars ($15,000,000) to the Central Indiana Regional Transportation Authority from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 to advance the proposed rail transit for the northeast corridor of central Indiana, beginning July 1, 2008, and ending June 30, 2010.

(f) There is appropriated three million dollars ($3,000,000) to the Indianapolis Public Transportation Corporation from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 for the purposes authorized under IC 36-9-4 for a public transportation corporation, beginning July 1, 2008, and ending June 30, 2010.

(g) The sums appropriated to the grant recipients by this SECTION are in addition to all other income and receipts of the grant recipients and shall not be considered in awarding grants to grant recipients under a law other than this SECTION. Notwithstanding IC 4-10-11, IC 4-12-1-14, or any other law, the amount of the appropriations under this SECTION shall be:

(1) allotted for distribution to the grant recipients; and

(2) distributed upon warrant issued by the auditor of state to the appropriate grant recipient;

as soon as practicable after the receipt of Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 without further review or approval by any other state official or body. A grant recipient shall periodically file with the budget agency financial statements showing the uses of the amount distributed to the grant recipient under this SECTION on the schedule, in the form, and with the detail prescribed by the budget agency,

(h) Notwithstanding IC 4-9.1-1-7, IC 4-12-1-12, IC 4-12-1-14.1, IC 4-13-2-23, or any other law, an appropriation under this SECTION and the money appropriated by this SECTION is not subject to transfer, assignment, or reassignment for any use or purpose other than the uses and purposes specified in this SECTION.

(i) This SECTION expires January 1, 2011.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1607 as printed February 13, 2009.)

and when so amended that said bill do pass.

Committee Vote: yeas 16, nays 3.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, to which was referred House Bill 1626, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 27-1-6-0.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 0.4. As used in this chapter with respect to a corporation described in section 1(b) of this**

chapter, "corporate officer" or "incorporator" refers to the chief executive or chief financial officer of a municipality described in section 1(b) of this chapter.

SECTION 2. IC 27-1-6-0.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 0.6. As used in this chapter, "municipality" has the meaning set forth in IC 36-1-2-11.**

SECTION 3. IC 27-1-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. **(a) Except as provided in subsection (b),** any number of natural persons, not less than seven (7), all of whom are eighteen (18) years of age or older, at least a majority of whom are residents of the state of Indiana and citizens of the United States, may form a corporation under the provisions of this chapter for the purpose of making any kind or kinds of insurance described in any one **(1)** class set out in IC 27-1-5-1, other than reciprocal, farm mutual, fraternal, and assessment insurance, by complying with the provisions of this chapter.

(b) One (1) or more Indiana municipalities may form a corporation as a domestic mutual company under this chapter for purposes of making any kind or kinds of insurance described in any one (1) class set out in IC 27-1-5-1 (other than reciprocal, farm mutual, fraternal, and assessment insurance) available to Indiana municipalities.

SECTION 4. IC 27-1-6-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 15. **(a) This section does not apply to a domestic mutual company described in section 1(b) of this chapter.**

~~(a)~~ **(b)** Except as provided in subsection ~~(b),~~ **(c),** a domestic mutual company that organized before July 1, 1977, must maintain a surplus of not less than two hundred fifty thousand dollars ($250,000). This subsection does not apply to a standard farm mutual insurance company that is organized under IC 27-5 (before its repeal) or IC 27-5.1.

~~(b)~~ **(c)** A domestic mutual company that organized before July 1, 1977, must maintain a surplus of not less than:

(1) seven hundred fifty thousand dollars ($750,000), if it markets one (1) or more kinds of insurance under both Class II and Class III, other than Class II(k) insurance;

(2) one million dollars ($1,000,000), if it markets one (1) or more kinds of insurance under Class II, including Class II(k) insurance; or

(3) one million dollars ($1,000,000), if it markets one (1) or more kinds of insurance under both Class II and Class III, including Class II(k) insurance.

~~(c)~~ **(d)** A domestic mutual company that organized after June 30, 1977, must maintain a surplus of not less than one million two hundred fifty thousand dollars ($1,250,000). However, when it organizes, it must:

(1) have a surplus of not less than two million dollars ($2,000,000);

(2) for the one (1) or more kinds of insurance under Class I that it intends to market, have received applications for insurance from not less than four hundred (400) persons, each application for an amount not less than one thousand dollars ($1,000), and have received the first year's premium due on a policy to be issued on each such application; and

(3) for the one (1) or more kinds of insurance under Class II or Class III that it intends to market, have received applications for insurance covering not less than eight hundred (800) separate risks in not less than forty (40) policies to be issued to not less than forty (40) members, and have received premiums amounting to not less than one hundred thousand dollars ($100,000) for those policies.

~~(d)~~ **(e)** A domestic mutual company must deposit with the department in cash or in obligations of the United States:

(1) twenty-five thousand dollars ($25,000), if it organized before June 30, 1955;

(2) fifty thousand dollars ($50,000), if it organized after June 29, 1955, and before March 7, 1967; or

(3) one hundred thousand dollars ($100,000), if it organized after March 6, 1967.

This subsection does not apply to a standard farm mutual insurance company that is organized under IC 27-5 (before its repeal) or IC 27-5.1.

~~(e)~~ **(f)** If the commissioner determines that the continued operation of a domestic mutual company may be hazardous to the policyholders or the general public, the commissioner may, upon the commissioner's determination, issue an order requiring the insurer to increase the insurer's capital and surplus based on the type, volume, and nature of the business transacted.

SECTION 5. IC 27-1-6-15.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 15.1. (a) A domestic mutual company described in section 1(b) of this chapter must maintain a surplus of at least one million two hundred fifty thousand dollars ($1,250,000). However, when the company organizes, the company must:**

(1) have:

(A) a surplus of at least two million dollars ($2,000,000); and

(B) applications for insurance from at least twenty (20) municipalities, each application for an amount of at least fifty thousand dollars ($50,000);

(2) for the one (1) or more kinds of insurance under Class I that the company intends to market, have received:

(A) applications for insurance from at least one hundred (100) individuals, each application for an amount of at least five thousand dollars ($5,000); and

(B) the first year's premium due on a policy to be issued on each application; and

(3) for the one (1) or more kinds of insurance under Class II or Class III that the company intends to market, have received:

(A) applications for insurance covering at least forty (40) policies to be issued; and

(B) premiums amounting to at least five hundred thousand dollars ($500,000) for the policies.

(b) A domestic mutual company described in section 1(b) of this chapter shall deposit with the department, in cash or in obligations of the United States, one hundred thousand dollars ($100,000).

(c) If the commissioner determines that the continued operation of a domestic mutual company described in section 1(b) of this chapter may be hazardous to the policyholders or the general public, the commissioner may, upon the commissioner's determination, issue an order requiring the insurer to increase the insurer's capital and surplus based on the type, volume, and nature of the business transacted.

SECTION 6. IC 27-1-12-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. (a) After the department has ascertained the net reserve value of all policies (as defined in section 9 of this chapter) or the reserve liabilities (as defined in section 10 of this chapter) of any life insurance company organized and doing business in this state, the department shall notify said company of the amount or amounts thereof. Within sixty (60) days after the date of such notification, the officers of such company shall deposit with the department, solely for the security and benefit of all its policyholders, assets in an amount, invested in accordance with section 2 of this chapter (except paragraph 20 of section 2(b) of this chapter) which together with the assets already deposited with the department and such additional assets as may be deposited by said company with other states or governments, pursuant to the requirements of the laws of such other states or governments in which said company is doing business, shall be not less than the lesser of the amount of such reserve value or reserve liabilities or

the amount provided under subsection (f). No life insurance company organized under this article or any other law of this state shall be required to make such deposit until the amount prescribed by this subsection exceeds the amount deposited by said company under IC 27-1-6-14, ~~or~~ IC 27-1-6-15, **or IC 27-1-5-15.1.** Investments in real estate shall be deposited in the form of satisfactory evidences of ownership. The deposit requirement in relation to policy loans and bank deposits shall be considered fulfilled by the inclusion of such item in the company's annual statement, but subject to the right of the company at any time, and the obligation of the company on demand of the department, to file with the department a certificate as to the amount of such item.

(b) If the department in the course of the year ascertains that the net reserve value of a company's policies (as defined in section 9 of this chapter) or its reserve liabilities (as defined in section 10 of this chapter) exceeds such company's deposits as required by subsection (a), it may require such company within sixty (60) days to increase its deposit to the required amount.

(c) Nothing in this article shall prevent the deposit of bonds, mortgages, or other securities which meet the investment requirements of a foreign or alien state or country, to an amount not exceeding the amount of the reserves on policies issued to residents of, and to corporations doing business in, such state or country. If, pursuant to the law of a foreign or alien state or country in which an Indiana life insurance company is doing business, securities belonging to such a company are required to be deposited within the boundaries of such foreign or alien state or country, credit for the amount of such deposit, not exceeding the amount of the reserves on policies issued to residents of, and to corporations doing business in, such foreign or alien state or country, may be taken by the company as an offset against its deposits required under this article.

(d) If, pursuant to the law of a foreign or alien state or country, a life insurance company domiciled therein is not permitted a reserve credit for reserves maintained by a reinsurer foreign to such a state or country, except on the condition that the amount of such reserve be deposited with the insurance supervisory official of such state or country, a deposit credit for the amount of such reserves so deposited shall be allowed a domestic life insurance company accepting reinsurance from companies domiciled in such state or country.

(e) Any deposit of assets with the department pursuant to any law superseded by this chapter shall, prior to the first deposit date contemplated in subsection (a), be continued with the department and otherwise be subject to this section.

(f) The amount of the deposit, except as otherwise provided in subsection (a), shall be one million dollars ($1,000,000) excluding policy loans and bank deposits, or such greater amount as the department deems necessary to protect the interests of the policyholders of a particular company by an order to the company to deposit additional amounts under this section.

(g) Each company:

(1) must report to the department each new asset acquisition to establish its eligibility for investment under the numbered categories of permissible investments under section 2 of this chapter at such regular intervals, within the time limit following each interval and on the forms as the department may require, without complying with IC 4-22-2; and

(2) when ordered by the department, shall make any additional report relating to:

(A) the category of eligibility, the characteristics, or the amount of any investment; or

(B) the amount of the assets of the company in any category;

calculated under the rules applied for annual statement purposes.

SECTION 7. IC 27-14-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) Except as provided in subsection (b), an MIHC:

(1) has and may exercise all the rights and privileges of insurance companies formed under this title; and

(2) is subject to all the requirements and regulations imposed upon insurance companies formed under this title.

(b) The exceptions referred to in subsection (a) are as follows:

(1) An MIHC does not have the right or privilege to write insurance (except through an insurance company subsidiary) and is not subject to any requirement or rule adopted under IC 4-22-2 relating to the writing of insurance.

(2) An MIHC is not subject to the deposit requirement in ~~IC 27-1-6-15(d)~~ **IC 27-1-6-15(e) or IC 27-1-6-15.1(b).**

(3) An MIHC is not subject to any statute or rule adopted under IC 4-22-2 that is imposed upon insurance companies formed under this title to the extent that the statute or rule is in conflict with this article.

(4) An MIHC is not subject to the investment requirements under IC 27-1-12 or IC 27-1-13 that limit or restrict investments in subsidiaries.

(5) An MIHC is not subject to risk-based capital requirements under IC 27-1-36.

(6) An MIHC is not subject to a requirement under IC 27 if the commissioner determines by order or rule adopted by the commissioner under IC 4-22-2 that the requirement does not apply to the MIHC.

SECTION 8. IC 27-15-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) If a domestic mutual insurance company:

(1) is insolvent, as defined in IC 27-9-1-2(l);

(2) does not meet the **applicable** minimum surplus requirements of IC 27-1-6-15 **or IC 27-1-6-15.1;** or

(3) in the judgment of the commissioner, is in a hazardous financial condition;

its board of directors may adopt, and the commissioner may approve, any plan of conversion and amendment to the articles of incorporation that, on the effective date of the conversion, would provide for the former mutual to have paid-in capital stock and surplus in an amount not less than the minimum requirements of IC 27-1-6-14(c) and IC 27-1-6-14(e) and an RBC level greater than its company action RBC level.

(b) The commissioner may allow waivers or material modifications of the requirement to give any notices to members and policyholders, to obtain member approval of the proposed plan of conversion or amendment to the articles of incorporation of the converting mutual, or to distribute consideration to members if the value of a converting mutual described in subsection (a) does not in the judgment of the commissioner warrant any such notices, approvals, or distribution under the circumstances, including the expenses involved in a distribution of consideration.

(Reference is to HB 1626 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

FRY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1639, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 10, nays 0.

AUSTIN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1670, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 3, delete "(2)," and insert "**(3),**".

Page 1, between lines 12 and 13, begin a new line block indented and insert:

"**(2) Subject to subdivision (3), consider action necessary, including changes in policy, rules, and statutes, to have all property taxes first due and payable in the calendar year the tangible property is assessed instead of the immediately succeeding calendar year.**".

Page 1, line 13, delete "(2)" and insert "**(3)**".

Page 1, line 14, delete "subdivision (1)," and insert "**subdivisions (1) and (2),**".

Page 2, line 1, delete "(3)" and insert "**(4)**".

Page 2, line 2, delete "subdivision (1)" and insert "**subdivisions (1) and (2)**".

(Reference is to HB 1670 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

V. SMITH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1716, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 15 through 17, begin a new paragraph and insert:

"**(b) The governor shall appoint members of the commission so that the following requirements are met:**

(1) One (1) member must be a representative of the department of natural resources. The member may not be an employee or elected official of a city, town, or county governmental unit.

(2) The remaining four (4) members must meet the following requirements:

(A) Four (4) members must reside in a:

(i) city;

(ii) town; or

(iii) township (if the member resides in an unincorporated area of the county);

that borders the Little Calumet River.

(B) At least three (3) of the members must have a background in:

(i) construction;

(ii) project management; or

(iii) flood control;

or a similar professional background.

(C) A member may not be an employee or elected official of a city, town, or county governmental unit.".

Page 2, delete lines 1 through 9.

(Reference is to HB 1716 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BARTLETT, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1730, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-1.1-20-1.1, AS AMENDED BY P.L.146-2008, SECTION 188, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.1. As used in this chapter, "controlled project" means any project financed by bonds or a lease, except for the following:

(1) A project for which the political subdivision reasonably expects to pay:

(A) debt service; or

(B) lease rentals;

from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 or (before January 1, 2009) IC 20-45-3. A project is not a controlled project even though the political subdivision has pledged to levy property taxes to pay the debt service or lease rentals if those other funds are insufficient.

(2) A project that will not cost the political subdivision more than the lesser of the following:

(A) Two million dollars ($2,000,000).

(B) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that amount is at least one million dollars ($1,000,000).

(3) A project that is being refinanced for the purpose of providing gross or net present value savings to taxpayers.

(4) A project for which bonds were issued or leases were entered into before January 1, 1996, or where the state board of tax commissioners has approved the issuance of bonds or the execution of leases before January 1, 1996.

(5) A project that is required by a court order holding that a federal law mandates the project.

(6) A project that:

(A) is in response to:

(i) a natural disaster;

(ii) an accident; or

(iii) an emergency;

in the political subdivision that makes a building or facility unavailable for its intended use; and

(B) is approved by the county council of each county in which the political subdivision is located.

(7) A project that was not a controlled project under this section as in effect on June 30, 2008, and for which:

(A) the bonds or lease for the project were issued or entered into before July 1, 2008; or

(B) the issuance of the bonds or the execution of the lease for the project was approved by the department of local government finance before July 1, 2008.

(8) A project for the construction, repair, alteration, or retrofitting of a public building or structure designed with the goal of achieving:

(A) the standards for existing buildings under the United States Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system;

(B) the Green Globes Two Globes level; or

(C) an equivalent standard under an equivalent rating system that is accredited by the American National Standards Institute.".

(Reference is to HB 1730 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 8.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1732, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-43-1-7, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. "ADM of the previous year" means the ~~initial computed~~ ADM for the school year ending in the preceding calendar year.

SECTION 2. IC 20-43-1-10, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. "Current ADM" means the ~~initial computed~~ ADM for the school year ending in the calendar year.

SECTION 3. IC 20-43-4-2, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. A school corporation's ADM is the number of eligible pupils enrolled in:

(1) the school corporation; or

(2) a transferee corporation;

~~on a day to be fixed annually by the state board~~ **as determined under section 3 of this chapter** and as subsequently adjusted not later than January 30 under the rules adopted by the state board.

SECTION 4. IC 20-43-4-3, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. **(a) This subsection applies to a school corporation that is not described in subsection (b).** The initial day of the ADM count must fall within the first thirty (30) days of the school year **on a day to be fixed annually by the state board.** However, if extreme patterns of:

(1) student in-migration;

(2) illness;

(3) natural disaster; or

(4) other unusual conditions in a particular school corporation's enrollment;

on either the day fixed by the state board or on the subsequent adjustment date, cause the enrollment to be unrepresentative of the school corporation's enrollment throughout a school year, the state board may designate another day for determining the school corporation's enrollment.

(b) This subsection applies only to a school corporation that is located in any part in Gary, Indiana, or that is a charter school in which at least one (1) eligible pupil who has legal settlement in Gary, Indiana, is enrolled on the day of an ADM count. The general assembly finds that the provisions of this subsection are necessary to meet the unique challenges facing school corporations that educate eligible pupils from Gary, Indiana, because large numbers of eligible pupils in the area transfer to another school after the date that an initial ADM count is taken. The initial date of an ADM count must fall within the first thirty (30) days of the school year on the day fixed annually by the state board. A second count shall be taken on the first school day in December. An average ADM shall be computed using these two (2) counts and used for purposes of this article. However, if extreme patterns of:

(1) student in-migration;

(2) illness;

(3) natural disaster; or

(4) other unusual conditions in a particular school corporation's enrollment;

on either of these days cause the enrollment to be unrepresentative of the school corporation's enrollment throughout a school year, the state board may designate one (1) or two (2) other days for determining the school corporation's enrollment and average computed ADM.

SECTION 5. [EFFECTIVE JULY 1, 2009] **(a) For purposes of state tuition support for 2010 and notwithstanding IC 20-43-1-7, as amended by this act, if only an initial ADM count was taken for a school corporation for the school year ending in 2009, the department of education may use the initial count as the ADM of the previous year for the school corporation.**

(b) This SECTION expires December 31, 2010.

(Reference is to HB 1732 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

V. SMITH, Chair

Report adopted.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 1:40 p.m. with the Speaker in the Chair.

Representative Goodin was excused for the rest of the day.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred House Bill 1223, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning elections.

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE JULY 1, 2009] **(a) As used in this SECTION, "committee" refers to the census data advisory committee established by IC 2-5-19-2.**

(b) During the 2009 interim, the committee shall study the topic of the feasibility of establishing an electronic voter registration card as described in the introduced version of HB 1223-2009.

(c) The committee shall include any findings and recommendations regarding the topic assigned to the committee under this SECTION in an electronic format under IC 5-14-6 in the committee's 2009 annual report.

(d) This SECTION expires January 1, 2010.

(Reference is to HB 1223 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BATTLES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1595, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning Medicaid.

Page 1, delete lines 1 through 2.

Page 1, line 3, delete "1, 2009]: Sec. 6.2. As used in this section," begin a new paragraph and insert:

"SECTION 1. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION,**".

Page 2, delete lines 6 through 39 begin a new paragraph and insert:

"**(b) The health finance commission shall study the following:**

(1) Whether an individual:

(A) who is disabled;

(B) whose family income does not exceed two hundred percent (200%) of the federal income poverty level; and

(C) who meets the resource requirements established by statute or the office;

should be eligible to receive Medicaid.

(2) Whether employment in a sheltered workshop or under an approved vocational rehabilitation plan should be considered a useful occupation under subdivision (1) in determining Medicaid eligibility.

(3) Whether the determination of medical disability under subdivision (1) should be made without reference to the individual's ability to pay for treatment.

(c) This SECTION expires July 1, 2010.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1595 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

C. BROWN, Chair

Report adopted.

OTHER BUSINESS ON THE SPEAKER'S TABLE

Reassignments

The Speaker announced the following reassignments:

House Bill 1223 to the Committee on Rules and Legislative Procedures.

House Bill 1595 to the Committee on Rules and Legislative Procedures.

HOUSE BILLS ON SECOND READING

House Bill 1028

Representative Day called down House Bill 1028 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1642

Representative Dermody called down House Bill 1642 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1001

Representative Crawford called down House Bill 1001 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 1001–16)

Mr. Speaker: I move that House Bill 1001 be amended to read as follows:

Page 111, delete lines 1 through 9.

Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as printed February 17, 2009.)

ESPICH

After discussion, Representative Espich withdrew the motion.

There being no further amendments, the bill was ordered engrossed.

House Bill 1194

Representative Crawford called down House Bill 1194 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1289

Representative Crawford called down House Bill 1289 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1345

Representative Crawford called down House Bill 1345 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1625

Representative Fry called down House Bill 1625 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 1625–1)

Mr. Speaker: I move that House Bill 1625 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 2-3-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2010]: Sec. 2. (a) The general assembly hereby declares that the annual salary provided for in section 1 of this chapter is solely for the purpose of compensating the members of the general assembly for legislative services rendered during the year for which the salary is paid.

(b) The legislative services referred to in subsection (a) include, but are not limited to, the following:

(1) Participating in sessions of the senate or the house of representatives.

(2) Participating in meetings of standing committees of the senate or the house of representatives, regardless of when the meetings are held.

(3) Participating in meetings of legislative study committees or commissions, regardless of when the meetings are held.

(4) Attending conferences for state legislators conducted by the National Conference of State Legislatures, the Council of State Governments, or similar organizations.

(5) Working with constituents, state agencies, and others to help resolve problems of constituents. ~~and~~

(6) Working with legislative staff on research and bill drafting requests.

(7) Educating themselves on relevant issues and challenges facing Indiana.

In performing these and other legislative services, a member of the general assembly is normally required to work more than **one thousand** ~~six~~ **two** hundred ~~(600)~~ **(1,200)** hours per year.

~~(c) This section, as amended in 1981 by the one hundred second general assembly at its first regular session, applies to salary payments made after December 31, 1975, under section 1 of this chapter.~~".

Renumber all SECTIONS consecutively.

(Reference is to HB 1625 as printed February 17, 2009.)

THOMPSON

Representative GiaQuinta rose to a point of order, citing Rule 80, stating that the motion was not germane to the bill. Representative Thompson withdrew the motion to amend.

There being no further amendments, the bill was ordered engrossed.

House Bill 1604

Representative GiaQuinta called down House Bill 1604 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1094

Representative Grubb called down House Bill 1094 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 1094–1)

Mr. Speaker: I move that House Bill 1094 be amended to read as follows:

Page 4, delete lines 23 through 42, begin a new paragraph and insert:

"SECTION 5. IC 6-1.1-15-1, AS AMENDED BY P.L.146-2008, SECTION 137, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) A taxpayer may obtain a review by the county board of a county or township official's action with respect to either or both of the following:

(1) The assessment of the taxpayer's tangible property.

(2) A deduction for which a review under this section is authorized by any of the following:

(A) IC 6-1.1-12-25.5.
(B) IC 6-1.1-12-28.5.
(C) IC 6-1.1-12-35.5.
(D) IC 6-1.1-12.1-5.
(E) IC 6-1.1-12.1-5.3.
(F) IC 6-1.1-12.1-5.4.

(b) At the time that notice of an action referred to in subsection (a) is given to the taxpayer, the taxpayer shall also be informed in writing of:

(1) the opportunity for a review under this section, including a preliminary informal meeting under subsection (h)(2) with the county or township official referred to in this subsection; and

(2) the procedures the taxpayer must follow in order to obtain a review under this section.

(c) In order to obtain a review of an assessment or deduction effective for the assessment date to which the notice referred to in subsection (b) applies, the taxpayer must file a notice in writing with the county or township official referred to in subsection (a) not later than forty-five (45) days after the date of the notice referred to in subsection (b).

(d) A taxpayer may obtain a review by the county board of the assessment of the taxpayer's tangible property effective for an assessment date for which a notice of assessment is not given as described in subsection (b). To obtain the review, the taxpayer must file a notice in writing with the township assessor, or the county assessor if the township is not served by a township assessor. The right of a taxpayer to obtain a review under this subsection for an assessment date for which a notice of assessment is not given does not relieve an assessing official of the duty to provide the taxpayer with the notice of assessment as otherwise required by this article. ~~For an assessment date in a year before 2009,~~ The notice must be filed on or before May 10 of the year. ~~For an assessment date in a year after 2008, the notice must be filed not later than the later of:~~

~~(1) May 10 of the year; or~~

~~(2) forty-five (45) days after the date of the statement mailed by the county auditor under IC 6-1.1-17-3(b).~~

(e) A change in an assessment made as a result of a notice for review filed by a taxpayer under subsection (d) after the time prescribed in subsection (d) becomes effective for the next assessment date. A change in an assessment made as a result of a notice for review filed by a taxpayer under subsection (c) or (d) remains in effect from the assessment date for which the change is made until the next assessment date for which the assessment is changed under this article.

(f) The written notice filed by a taxpayer under subsection (c) or (d) must include the following information:

(1) The name of the taxpayer.

(2) The address and parcel or key number of the property.

(3) The address and telephone number of the taxpayer.

(g) The filing of a notice under subsection (c) or (d):

(1) initiates a review under this section; and

(2) constitutes a request by the taxpayer for a preliminary informal meeting with the official referred to in subsection (a).

(h) A county or township official who receives a notice for review filed by a taxpayer under subsection (c) or (d) shall:

(1) immediately forward the notice to the county board; and

(2) attempt to hold a preliminary informal meeting with the taxpayer to resolve as many issues as possible by:

(A) discussing the specifics of the taxpayer's assessment or deduction;
(B) reviewing the taxpayer's property record card;
(C) explaining to the taxpayer how the assessment or deduction was determined;
(D) providing to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the assessment or deduction;
(E) noting and considering objections of the taxpayer;
(F) considering all errors alleged by the taxpayer; and
(G) otherwise educating the taxpayer about:

(i) the taxpayer's assessment or deduction;
(ii) the assessment or deduction process; and
(iii) the assessment or deduction appeal process.

(i) Not later than ten (10) days after the informal preliminary meeting, the official referred to in subsection (a) shall forward to the county auditor and the county board the results of the conference on a form prescribed by the department of local government finance that must be completed and signed by the taxpayer and the official. The form must indicate the following:

(1) If the taxpayer and the official agree on the resolution of all assessment or deduction issues in the review, a statement of:

(A) those issues; and
(B) the assessed value of the tangible property or the amount of the deduction that results from the resolution of those issues in the manner agreed to by the taxpayer and the official.

(2) If the taxpayer and the official do not agree on the resolution of all assessment or deduction issues in the review:

(A) a statement of those issues; and
(B) the identification of:

(i) the issues on which the taxpayer and the official agree; and
(ii) the issues on which the taxpayer and the official disagree.

(j) If the county board receives a form referred to in subsection (i)(1) before the hearing scheduled under subsection (k):

(1) the county board shall cancel the hearing;

(2) the county official referred to in subsection (a) shall give notice to the taxpayer, the county board, the county assessor, and the county auditor of the assessment or deduction in the amount referred to in subsection (i)(1)(B); and

(3) if the matter in issue is the assessment of tangible property, the county board may reserve the right to change the assessment under IC 6-1.1-13.

(k) If:

(1) subsection (i)(2) applies; or

(2) the county board does not receive a form referred to in subsection (i) not later than one hundred twenty (120) days after the date of the notice for review filed by the taxpayer

under subsection (c) or (d);

the county board shall hold a hearing on a review under this subsection not later than one hundred eighty (180) days after the date of that notice. The county board shall, by mail, give notice of the date, time, and place fixed for the hearing to the taxpayer and the county or township official with whom the taxpayer filed the notice for review. The taxpayer and the county or township official with whom the taxpayer filed the notice for review are parties to the proceeding before the county board. The county assessor is recused from any action the county board takes with respect to an assessment determination by the county assessor.

(l) At the hearing required under subsection (k):

(1) the taxpayer may present the taxpayer's reasons for disagreement with the assessment or deduction; and

(2) the county or township official with whom the taxpayer filed the notice for review must present:

(A) the basis for the assessment or deduction decision; and

(B) the reasons the taxpayer's contentions should be denied.

(m) The official referred to in subsection (a) may not require the taxpayer to provide documentary evidence at the preliminary informal meeting under subsection (h). The county board may not require a taxpayer to file documentary evidence or summaries of statements of testimonial evidence before the hearing required under subsection (k). If the action for which a taxpayer seeks review under this section is the assessment of tangible property, the taxpayer is not required to have an appraisal of the property in order to do the following:

(1) Initiate the review.

(2) Prosecute the review.

(n) The county board shall prepare a written decision resolving all of the issues under review. The county board shall, by mail, give notice of its determination not later than one hundred twenty (120) days after the hearing under subsection (k) to the taxpayer, the official referred to in subsection (a), the county assessor, and the county auditor.

(o) If the maximum time elapses:

(1) under subsection (k) for the county board to hold a hearing; or

(2) under subsection (n) for the county board to give notice of its determination;

the taxpayer may initiate a proceeding for review before the Indiana board by taking the action required by section 3 of this chapter at any time after the maximum time elapses.

SECTION 6. IC 6-1.1-17-3, AS AMENDED BY P.L.146-2008, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

(1) the estimated budget;

(2) the estimated maximum permissible levy;

(3) the current and proposed tax levies of each fund; and

(4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. Beginning in 2009, the duties required by this subsection must be completed before August 10 of the calendar year. ~~A political subdivision shall provide the estimated budget and levy information required for the notice under subsection (b) to the county auditor on the schedule determined by the department of local government finance.~~

~~(b) Beginning in 2010, before October 1 of a calendar year, the county auditor shall mail to the last known address of each person liable for any property taxes, as shown on the tax duplicate, or to the last known address of the most recent owner shown in the transfer book, a statement that includes:~~

~~(1) the assessed valuation as of the assessment date in the current calendar year of tangible property on which the person will be liable for property taxes first due and payable in the immediately succeeding calendar year and notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1(c) (before July 1, 2008) or IC 6-1.1-15-1 (after June 30, 2008);~~

~~(2) the amount of property taxes for which the person will be liable to each political subdivision on the tangible property for taxes first due and payable in the immediately succeeding calendar year, taking into account all factors that affect that liability, including:~~

~~(A) the estimated budget and proposed tax rate and tax levy formulated by the political subdivision under subsection (a);~~

~~(B) any deductions or exemptions that apply to the assessed valuation of the tangible property;~~

~~(C) any credits that apply in the determination of the tax liability; and~~

~~(D) the county auditor's best estimate of the effects on the tax liability that might result from actions of:~~

~~(i) the county board of tax adjustment; or~~

~~(ii) the department of local government finance;~~

~~(3) a prominently displayed notation that:~~

~~(A) the estimate under subdivision (2) is based on the best information available at the time the statement is mailed; and~~

~~(B) based on various factors, including potential actions by:~~

~~(i) the county board of tax adjustment; or~~

~~(ii) the department of local government finance;~~

~~it is possible that the tax liability as finally determined will differ substantially from the estimate;~~

~~(4) comparative information showing the amount of property taxes for which the person is liable to each political subdivision on the tangible property for taxes first due and payable in the current year; and~~

~~(5) the date, time, and place at which the political subdivision will hold a public hearing on the political subdivision's estimated budget and proposed tax rate and tax levy as required under subsection (a).~~

~~(c) The department of local government finance shall:~~

~~(1) prescribe a form for; and~~

~~(2) provide assistance to county auditors in preparing;~~

~~statements under subsection (b). Mailing the statement described in subsection (b) to a mortgagee maintaining an escrow account for a person who is liable for any property taxes shall not be construed as compliance with subsection (b).~~

~~(d)~~ **(b)** The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

(1) in any county of the solid waste management district; and

(2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

~~(e)~~ **(c)** The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

~~(f)~~ **(d)** This subsection expires January 1, 2009. A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter

a tax rate sufficient to raise the levy necessary to pay the following:

(1) The cost of child services (as defined in IC 12-19-7-1) of the county payable from the family and children's fund.

(2) The cost of children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1) of the county payable from the children's psychiatric residential treatment services fund.

A budget, tax rate, or tax levy adopted by a county fiscal body or approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under section 11 of this chapter.".

Delete pages 5 through 6.

Page 7, delete lines 1 through 7.

Renumber all SECTIONS consecutively.

(Reference is to HB 1094 as printed February 3, 2009.)

CLEMENTS

Motion prevailed. The bill was ordered engrossed.

House Bill 1603

Representative Leonard called down House Bill 1603 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 1603–1)

Mr. Speaker: I move that House Bill 1603 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 16-32-3-1, AS AMENDED BY P.L.99-2007, SECTION 155, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. It is the policy of this state to encourage and enable individuals who are blind, individuals with a visual disability, and other individuals with a physical **or mental** disability to participate fully in the social and economic life of the state and to engage in remunerative employment.".

Page 1, line 16, after "physical" insert "**or mental**".

Page 1, line 17, strike "dog," and insert "**animal,**".

Page 2, line 2, strike "dog." and insert "**animal.**".

Page 2, line 3, strike "dog." and insert "**animal.**".

Page 2, line 9, strike "dog" and insert "**animal**".

Page 2, line 10, strike "dog" and insert "**animal**".

Page 2, line 11, strike "dog," and insert "**animal,**".

Page 2, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 3. IC 16-32-3-5, AS AMENDED BY P.L.99-2007, SECTION 158, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. It is the policy of this state that individuals who are blind, individuals with a visual disability, and other individuals with a physical **or mental** disability shall be employed in:

(1) the state service;

(2) the service of the political subdivisions of the state;

(3) the public schools; and

(4) all other employment supported in whole or in part by public funds;

on the same terms and conditions as the able-bodied, unless it is shown that the particular disability prevents the performance of the work involved.".

Page 3, line 12, delete "a dog" and insert "**an animal**".

Page 3, line 14, delete "dog;" and insert "**animal;**".

Page 3, line 15, delete "dog;" and inset "**animal;**".

Page 3, line 16, delete "dog." and insert "**animal.**".

Page 3, line 19, delete "dog;" and insert "**animal;**".

Page 3, line 20, delete "dog;" and insert "**animal;**".

Page 3, line 21, delete "dog;" and insert "**animal;**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1603 as printed February 17, 2009.)

LEONARD

Motion prevailed. The bill was ordered engrossed.

House Bill 1671

Representative Michael called down House Bill 1671 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 1671–1)

Mr. Speaker: I move that House Bill 1671 be amended to read as follows:

Page 2, after line 1, begin a new paragraph and insert:

"SECTION 2. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding IC 21-13-3-5, as amended by this act, a nursing student who, before July 1, 2009:**

(1) is qualified for a scholarship under IC 21-13-3-5, before its amendment by this act; and

(2) is enrolled in a program that will meet the requirements to allow the student to obtain licensing as a licensed practical nurse under IC 25-23-1;

is eligible to renew the scholarship according to the requirements of IC 21-13-3-5, before its amendment by this act, and IC 21-13-3-6.

(b) This SECTION expires June 30, 2011.

SECTION 3. **An emergency is declared for this act.**".

(Reference is to HB 1671 as printed February 17, 2009.)

MICHAEL

Motion prevailed. The bill was ordered engrossed.

House Bill 1592

Representative Moseley called down House Bill 1592 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1048

Representative Niezgodski called down House Bill 1048 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1062

Representative Niezgodski called down House Bill 1062 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1379

Representative Niezgodski called down House Bill 1379 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 1379–1)

Mr. Speaker: I move that House Bill 1379 be amended to read as follows:

Page 21, line 27, reset in roman "or".

Page 21, line 29, delete "; or" and insert ".".

Page 21, delete line 30.

(Reference is to HB 1379 as printed February 17, 2009.)

BORROR

Motion failed.

HOUSE MOTION
(Amendment 1379–2)

Mr. Speaker: I move that House Bill 1379 be amended to read as follows:

Page 4, line 18, delete "four (4)" and insert "**two (2)**".

Page 4, line 22, delete "four (4)" and insert "**two (2)**".

Page 4, line 24, delete "four (4)" and insert "**two (2)**".

Page 4, line 27, delete "interested party shall be assessed a civil" and insert "**matter shall be referred to the prosecuting**

attorney in the county in which the interested party resides or has its main or principal office or place of business. A person who recklessly, knowingly, or intentionally requests two (2) investigations of the alleged failure to properly classify an independent contractor as an employee that are found by the department to have been groundless commits a Class D felony.".

Page 4, delete lines 28 through 32.

Page 12, line 35, delete "thousand" and insert "**hundred**".

Page 12, line 35, delete "($1,000)" and insert "**($100)**".

Page 12, line 41, delete "thousand five".

Page 12, line 41, after "hundred" insert "**fifty**".

Page 12, line 41, delete "($2,500)" and insert "**($250)**".

Page 15, line 19, delete "D felony." and insert "**A infraction.**".

Page 21, line 4, delete "three (3) years" and insert "**one (1) year**".

Page 21, line 27, reset in roman "or".

Page 21, line 29, delete "; or" and insert ".".

Page 21, delete line 30.

(Reference is to HB 1379 as printed February 17, 2009.)

DAVIS

Motion failed. The bill was ordered engrossed.

House Bill 1728

Representative Pelath called down House Bill 1728 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1620

Representative Pierce called down House Bill 1620 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 1620–1)

Mr. Speaker: I move that House Bill 1620 be amended to read as follows:

Page 2, line 15, delete "designed, constructed, operated, and maintained" and insert "**designed and constructed**".

Page 2, line 23, after "(b)" insert "**This subsection does not apply to contracts for the reconstruction, repair, alteration, or retrofitting of a building or structure that is listed or eligible for listing on the National Register of Historic Places.**".

Page 2, line 24, after "renovated" insert "**,**".

Page 2, line 24, delete "reconstructed, operated, and maintained" and insert "**reconstructed**".

Page 2, line 37, delete "operation, and maintenance" and insert "**renovation, or reconstruction**".

(Reference is to HB 1620 as printed February 13, 2009.)

PIERCE

Motion prevailed.

HOUSE MOTION
(Amendment 1620–3)

Mr. Speaker: I move that House Bill 1620 be amended to read as follows:

Page 1, line 8, delete "and".

Page 1, between lines 8 and 9, begin a new line block indented and insert:

"**(2) for a project costing the owner of the government building at least two million dollars ($2,000,000); and**".

Page 1, line 9, delete "(2)" and insert "**(3)**".

Page 2, line 9, delete "A" and insert "**Except as provided in section 7 of this chapter, a**".

Page 3, between lines 2 and 3, begin a new paragraph and insert:

"**Sec. 7. This chapter does not apply to a county, city, or town having a population of not more than fifteen thousand (15,000).**".

(Reference is to HB 1620 as printed February 13, 2009.)

DAVIS

Motion prevailed. The bill was ordered engrossed.

House Bill 1092

Representative Porter called down House Bill 1092 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1481

Representative Porter called down House Bill 1481 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1581

Representative Porter called down House Bill 1581 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

The Speaker yielded the gavel to the Deputy Speaker Pro Tempore, Representative Harris.

House Bill 1343

Representative Pryor called down House Bill 1343 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 1343–1)

Mr. Speaker: I move that House Bill 1343 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 9-24-2-1, AS AMENDED BY P.L.1-2006, SECTION 165, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) A driver's license or a learner's permit may not be issued to an individual less than eighteen (18) years of age who meets any of the following conditions:

(1) Is a habitual truant under IC 20-33-2-11.

(2) Is under at least a second suspension from school for the school year under IC 20-33-8-14 or IC 20-33-8-15.

(3) Is under an expulsion from school under IC 20-33-8-14, IC 20-33-8-15, or IC 20-33-8-16.

(4) Is considered a dropout under IC 20-33-2-28.5.

(b) At least five (5) days before holding an exit interview under IC 20-33-2-28.5, the school corporation shall give notice by certified mail or personal delivery to the student, the student's parent, or the student's guardian that the student's failure to attend an exit interview under IC 20-33-2-28.5 or return to school if the student does not meet the requirements to withdraw from school under IC 20-33-2-28.5 will result in the revocation or denial of the student's:

(1) driver's license or learner's permit; and

(2) employment certificate.

(c) A driver's license may not be issued to an individual less than eighteen (18) years of age who has failed to meet the academic standards tested in the graduation examination (as defined in IC 20-18-2-6).".

Page 3, after line 9, begin a new paragraph and insert:

"SECTION 3. IC 20-32-4-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 4.5. (a) Notwithstanding IC 9-24 concerning the minimum standards for qualifying for the issuance of a driver's license, a student who:**

(1) is less than eighteen (18) years of age; and

(2) has failed to meet the academic standards tested in the graduation examination;

may not be issued a driver's license to operate a motor vehicle or motorcycle under IC 9-24 until the student is at least eighteen (18) years of age.

(b) After a high school receives score reports for the graduation examination, the principal of the high school shall submit to the governing body the name of each student who:

(1) is ineligible to receive a driver's license under this section; or

(2) has become eligible to receive a driver's license after meeting the academic standards in a second or subsequent graduation examination.

(c) After receiving information identifying a student under subsection (b), the governing body shall submit to the bureau of motor vehicles the pertinent information concerning a student's eligibility to receive a driver's license under subsection (a).".

Renumber all SECTIONS consecutively.

(Reference is to HB 1343 as printed February 17, 2009.)

TURNER

Upon request of Representatives Turner and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 147: yeas 36, nays 60. Motion failed. The bill was ordered engrossed.

House Bill 1609

Representative Soliday called down House Bill 1609 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 1609–2)

Mr. Speaker: I move that House Bill 1609 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 35-41-1-26.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 26.4. "Technical worker" means an:**

(1) individual who is employed by; or

(2) independent contractor or employee of an independent contractor working on behalf of;

a cable or satellite television company.".

Page 1, delete line 9.

Page 1, line 10, delete "(4)" and insert "**(3)**".

Page 1, line 11, delete "(5)" and insert "**(4)**".

Page 1, line 12, delete "(6)" and insert "**(5)**".

Page 1, line 13, delete "(7)" and insert "**(6)**".

Page 3, line 22, after "offense;" delete "or".

Page 3, line 24, after "duty;" insert "**or**

(O) a technical worker while the technical worker is engaged in the execution of the technical worker's official duty;".

Page 4, line 5, delete "," and insert "**and IC 35-42-2-1(a)(2)(O), both**".

Page 4, line 6, delete "applies" and insert "**apply**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1609 as printed February 17, 2009.)

SOLIDAY

Motion failed.

HOUSE MOTION
(Amendment 1609–1)

Mr. Speaker: I move that House Bill 1609 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 35-41-1-26.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 26.2. "Sports contest" means a professional or an amateur athletic contest, sport, match, tournament, meet, game, or other similar event viewed by the public.**

SECTION 2. IC 35-41-1-26.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 26.3. (a) "Sports official" means an individual who acts or who is authorized to act in a sports contest as an umpire, a referee, a judge, or another official acting in a similar capacity.**

(b) The term does not include an individual who is attending a sports contest as a spectator.".

Page 3, line 22, after "offense;" delete "or".

Page 3, line 24, after "duty;" insert: "**or**

(O) a sports official at the location or in the immediate vicinity of the location at which a sports contest takes place, has taken place, or is scheduled to take place;".

Page 4, line 5, delete "," and insert "**and IC 35-42-2-1(a)(2)(O), both**".

Page 4, line 6, delete "applies" and insert "**apply**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1609 as printed February 17, 2009.)

DOBIS

Motion prevailed. The bill was ordered engrossed.

The Deputy Speaker Pro Tempore yielded the gavel to the Speaker Pro Tempore, Representative Dobis.

House Bill 1703

Representative Saunders called down House Bill 1703 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1326

Representative M. Smith called down House Bill 1326 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1589

Representative Sullivan called down House Bill 1589 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1165

Representative Tyler called down House Bill 1165 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

With consent of the members, the Speaker returned to reports from committees.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1037, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 7.

Renumber all SECTIONS consecutively.

(Reference is to HB 1037 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 5, nays 2.

VAN HAAFTEN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred House Bill 1106, has had

the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 5, after "chapter," insert "**"child care article" means a product designed or intended by the manufacturer to:**

(1) facilitate the sleep, relaxation, or feeding of a child; or

(2) help a child with sucking or teething.

Sec. 2. As used in this chapter,"".

Page 1, line 6, delete "product" and insert "**toy or child care article**".

Page 1, between lines 9 and 10, begin a new paragraph and insert:

"**Sec. 3. As used in this chapter, "toy" means an article designed and made for the amusement of a child or for the child's use in play.**".

Page 1, line 10, delete "2." and insert "**4.**".

Page 1, line 10, after "retailer" insert "**or distributor**".

Page 1, line 10, after "resell" insert "**distribute,**".

Page 1, line 13, after "purchase" insert "**or distribution**".

Page 1, line 13, after "retailer" insert "**or distributor**".

Page 2, line 3, delete "3." and insert "**5. (a)**".

Page 2, line 3, after "retailer" insert "**or distributor**".

Page 2, line 4, after "resells" insert "**distributes,**".

Page 2, line 6, after "purchase" insert "**or distribution**".

Page 2, line 6, after "retailer" insert "**or distributor; not later than twenty-four (24) hours after receiving notification that the product is a recalled product, as required by section 2 of this chapter is subject to the same penalties and actions that a person who commits a deceptive act is subject to under IC 24-5-0.5.**

(b) A consignment or resale store shall make a reasonable effort to determine if any product the consignment or resale store has for sale is a recalled product.

(c) It is a defense to an action brought under subsection (a) for a consignment or resale store if there is no identifying information or packaging on a recalled product.".

Page 2, line 6, delete "not later than twenty-four (24)".

Page 2, delete lines 7 through 10.

(Reference is to HB 1106 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1129, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 20-20-8-8, AS AMENDED BY P.L.3-2008, SECTION 115, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. The report must include the following information:

(1) Student enrollment.

(2) Graduation rate (as defined in IC 20-26-13-6).

(3) Attendance rate.

(4) The following test scores, including the number and percentage of students meeting academic standards:

(A) ISTEP program test scores.

(B) Scores for assessments under IC 20-32-5-21, if appropriate.

(C) For a freeway school, scores on a locally adopted assessment program, if appropriate.

(5) Average class size.

(6) The number and percentage of students in the following groups or programs:

(A) Alternative education, if offered.

(B) Career and technical education.

(C) Special education.

(D) High ability.

(E) Remediation.

(F) Limited English language proficiency.

(G) Students receiving free or reduced price lunch under the national school lunch program.

(H) School flex program, if offered.

(7) Advanced placement, including the following:

(A) For advanced placement tests, the percentage of students:

(i) scoring three (3), four (4), and five (5); and

(ii) taking the test.

(B) For the Scholastic Aptitude Test:

(i) test scores for all students taking the test;

(ii) test scores for students completing the academic honors diploma program; and

(iii) the percentage of students taking the test.

(8) Course completion, including the number and percentage of students completing the following programs:

(A) Academic honors diploma.

(B) Core 40 curriculum.

(C) Career and technical programs.

(9) The percentage of grade 8 students enrolled in algebra I.

(10) The percentage of graduates who pursue higher education.

(11) The following information concerning the school corporation's adult education program under IC 20-30-6-1 and the federal Adult Education and Family Literacy Act (20 U.S.C. 9201 et seq.):

(A) The total number of students enrolled during the previous year by program type and age.

(B) The total number of participating students during the prior year completing each level by type and age.

~~(11)~~ **(12)** School safety, including:

(A) the number of students receiving suspension or expulsion for the possession of alcohol, drugs, or weapons; and

(B) the number of incidents reported under IC 20-33-9.

~~(12)~~ **(13)** Financial information and various school cost factors, including the following:

(A) Expenditures per pupil.

(B) Average teacher salary.

(C) Remediation funding.

~~(13)~~ **(14)** Technology accessibility and use of technology in instruction.

~~(14)~~ **(15)** Interdistrict and intradistrict student mobility rates, if that information is available.

~~(15)~~ **(16)** The number and percentage of each of the following within the school corporation:

(A) Teachers who are certificated employees (as defined in IC 20-29-2-4).

(B) Teachers who teach the subject area for which the teacher is certified and holds a license.

(C) Teachers with national board certification.

~~(16)~~ **(17)** The percentage of grade 3 students reading at grade 3 level.

~~(17)~~ **(18)** The number of students expelled, including the number participating in other recognized education programs during their expulsion.

~~(18)~~ **(19)** Chronic absenteeism, which includes the number of students who have been absent more than ten (10) days from school within a school year without being excused.

~~(19)~~ **(20)** The number of students who have dropped out of

school, including the reasons for dropping out.
~~(20)~~ **(21)** The number of student work permits revoked.
~~(21)~~ **(22)** The number of student driver's licenses revoked.
~~(22)~~ **(23)** The number of students who have not advanced to grade 10 due to a lack of completed credits.
~~(23)~~ **(24)** The number of students suspended for any reason.
~~(24)~~ **(25)** The number of students receiving an international baccalaureate diploma.
~~(25)~~ **(26)** Other indicators of performance as recommended by the education roundtable under IC 20-19-4.".

Page 1, line 14, reset in roman "school corporation".
Page 1, line 14, delete "qualified provider".
Page 2, line 9, before "For" insert "**However, a school corporation may enter into an agreement with a qualified provider to provide the services described in this section.**".
Page 2, line 9, reset in roman "the school".
Page 2, line 10, reset in roman "corporation".
Page 2, line 10, delete "a qualified provider".
Page 2, line 11, reset in roman "the school corporation's".
Page 2, line 11, delete "a".
Page 2, line 13, reset in roman "the school corporation".
Page 2, line 13, delete "a".
Page 2, line 14, delete "qualified provider".
Page 2, line 16, reset in roman "school".
Page 2, line 17, reset in roman "corporation".
Page 2, line 17, delete "qualified provider".
Page 2, line 21, reset in roman "school corporation".
Page 2, line 21, delete "qualified provider".
Page 2, after line 34, begin a new paragraph and insert:
"SECTION 3. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "committee" refers to the interim study committee on adult education programs established by this SECTION.**

(b) There is established the interim study committee on adult education programs. The committee shall study issues concerning adult education programs and make recommendations to the general assembly addressing at least the following:

(1) Gaps that exist throughout Indiana in adult education programs offered.
(2) Funding issues, including:
(A) a comprehensive fiscal analysis detailing the extent to which the demand for additional adult education programming exceeds the financial resources available throughout Indiana; and
(B) the method of funding for adult education.
(3) Administrative efficiencies.

(c) The committee shall operate under the policies governing study committees adopted by the legislative council.

(d) The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including a final report.

(e) This SECTION expires November 1, 2009.

SECTION 4. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding IC 20-30-6-1, as amended by this act, the Indiana state board of education may not engage in the adoption of new rules under IC 4-22-2 concerning adult education.**

(b) This SECTION expires July 1, 2010.

SECTION 5. **An emergency is declared for this act.**".
Renumber all SECTIONS consecutively.
(Reference is to HB 1129 as introduced.)
and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 5.

PORTER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1133, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 3.

NIEZGODSKI, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1134, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:
Replace the effective dates in SECTIONS 1 through 5 with "[EFFECTIVE UPON PASSAGE]".
Page 2, line 7, delete "medical waste" and insert "**the following:**

(1) An incinerator that was in operation before May 14, 2009.
(2) A facility that incinerates infectious waste or medical waste on-site, if not more than twenty percent (20%) of the incinerated waste:
(A) comes from a source outside the facility; and
(B) is incinerated for compensation.
(3) An incinerator that incinerates not more than twenty-four (24) tons of waste per year.".

Page 2, delete line 8.
Page 2, after line 21, begin a new paragraph and insert:
"SECTION 6. **An emergency is declared for this act.**".
(Reference is to HB 1134 as introduced.)
and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1136, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:
Page 3, line 5, after "assessment" insert "**approved by the state board and**".
Page 3, line 31, reset in roman "shall".
Page 3, line 31, delete "may".
Page 3, line 38, after "assessment" insert "**approved by the state board**".
Page 4, line 1, after "assessment" insert "**approved by the state board**".
(Reference is to HB 1136 as introduced.)
and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

PORTER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1159, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 11, nays 0.

PORTER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1188, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 21-43-5-2, AS AMENDED BY P.L.234-2007, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The double up for college program is established for secondary school students in grades 11 and 12. School corporations and state educational institutions ~~may~~ **shall** collaborate to offer:

(1) early college;
(2) dual credit; or
(3) dual enrollment;

programs that meet the educational objectives of the school corporation and are offered by the state educational institutions in secondary school locations.

SECTION 2. IC 21-43-5-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 15. For each secondary school, the school corporation shall report to the department of education the following information concerning courses offered under the double up for college program:**

(1) The name of each course offered.
(2) The number of students enrolled in each course.
(3) The number of teachers who meet the criteria to teach each course.".

Page 1, line 6, delete "through cooperatives of public high schools" and insert "**accredited nonpublic high school,**".

Page 2, line 7, delete "at" and insert "**up to**".

Page 2, line 8, delete "least".

Page 2, line 8, delete "a series of".

Page 2, line 23, delete "(a)".

Page 2, line 25, delete "course, the school corporation, and the" and insert "**course and the school corporation through its school improvement plan under IC 20-31-5.**".

Page 2, delete lines 26 through 30.

Page 2, line 32, delete "student" and insert "**student, accompanied by the name of the state educational institution offering the course,**".

Page 2, line 35, delete "institutions." and insert "**institutions and for the purposes of credit transfer.**".

Page 2, after line 35, begin a new paragraph and insert:

"**Sec. 10. An eligible institution may not charge tuition or other fees to a student or the student's parent for dual credit courses taken under the program.**

Sec. 11. (a) A state educational institution that participates in the program may, by agreement with a school corporation, take any action described in subsection (b).

(b) A state educational institution may:

(1) ensure that the content and rigor of a course offered is adequate to warrant providing credit to a student as if the student took the course as a student at the state educational institution; and
(2) set the criteria for a faculty member, an instructor, or another individual responsible for teaching a course with the:
(A) state educational institution responsible for hiring the personnel to instruct dual credit courses taught by the state educational institution; and
(B) school corporation responsible for hiring personnel to instruct dual credit courses taught by the high school.

Sec. 12. For each secondary school, the school corporation shall report to the department of education the following information concerning courses offered under the program:

(1) The name of each course offered.
(2) The number of students enrolled in each course.
(3) The number of teachers who meet the criteria to teach each course.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1188 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

OXLEY, Vice Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1195, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 12-13-5-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 14. (a) As used in this section, "commission" refers to the select joint commission on Medicaid oversight (IC 2-5-26-3).**

(b) A contractor for the division that has responsibility for receiving and processing eligibility information and making determinations for the food stamp program, the temporary assistance for needy families program, and the Medicaid program shall do the following:

(1) Review the eligibility and intake process for:
(A) timeliness of eligibility determinations;
(B) document management;
(C) client wait times at county offices; and
(D) any matter requested by the commission.
(2) Provide reports to the commission concerning any matter listed in subdivision (1):
(A) in a manner and format requested by the commission; and
(B) upon request of the commission.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1195 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Natural Resources, to which was referred House Bill 1278, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 9 through 17, begin a new paragraph and insert:

"**Sec. 2. Except as provided in section 5 of this chapter, a person who unreasonably improves the person's land by knowingly collecting, concentrating, and discharging the diffused surface water from the person's land as a body on a neighboring property so that the water:**

(1) stands on another person's land in an unusual quantity for a prolonged period; or
(2) passes into or over another person's land in a large quantity;

is liable for the actual damage caused to the other person by the unreasonable altered flow of diffused surface water.".

Page 2, delete line 1.

Page 2, line 2, delete "A" and insert "**Except as provided in section 5 of this chapter, a**".

Page 2, line 2, delete "the altered flow of" and insert "**a**

landowner's actions under section 2 of this chapter".

Page 2, line 3, delete "water or diffused surface water".

Page 2, line 5, delete "(a)".

Page 2, delete lines 8 through 10, begin a new paragraph and insert:

"**Sec. 5. This chapter does not apply to a person engaged in either or both of the following:**

(1) Building Class 2 structures (as defined in IC 22-12-1-5(a)(1)).

(2) Developing land for residential purposes with appropriate local drainage approval.".

(Reference is to HB 1278 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

BISCHOFF, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1344, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 22, strike "or".

Page 3, line 22, after "17.4" insert ", **or 37**".

Page 3, line 25, after "year." insert "**However, for purposes of a deduction under section 37 of this chapter, the individual must comply with the requirement in IC 6-1.1-22-8.1(b)(9), in 2009, 2010, or 2011, as determined by the county auditor.**".

Page 3, line 32, after "ineligible." insert "**An individual or entity that becomes ineligible for a deduction under section 37 of this chapter shall notify the county auditor of the county in which the property is located in conformity with section 37 of this chapter.**".

Page 3, line 34, strike "or".

Page 3, line 34, after "17.4" insert ", **or 37**".

Page 3, line 39, strike "or".

Page 3, line 39, after "17.4" insert ", **or 37**".

Page 4, between lines 6 and 7, begin a new line blocked left and insert:

"**However, for purposes of a deduction under section 37 of this chapter, if the removal of the joint owner occurs before the date that a notice described in IC 6-1.1-22-8.1(b)(9) is sent, the individual must comply with the requirement in IC 6-1.1-22-8.1(b)(9), in 2009, 2010, or 2011, as determined by the county auditor.**".

Page 4, line 7, strike "or".

Page 4, line 8, after "17.4" insert ", **or 37**".

Page 4, line 12, strike "or".

Page 4, line 12, after "17.4" insert ", **or 37**".

Page 4, between lines 15 and 16, begin a new blocked left and insert:

"**However, for purposes of a deduction under section 37 of this chapter, the individuals that qualify the trust for a deduction must comply with the requirement in IC 6-1.1-22-8.1(b)(9), in 2009, 2010, or 2011, as determined by the county auditor.**

(f) A cooperative housing corporation (as defined in 26 U.S.C. 216) that is entitled to a deduction under section 37 of this chapter in the immediately preceding calendar year for a homestead (as defined in section 37 of this chapter) is not required to file a statement to apply for the deduction for the current calendar year if the cooperative housing corporation remains eligible for the deduction for the current calendar year. However, the individuals that qualify the cooperative housing corporation for a deduction must comply with the requirement in IC 6-1.1-22-8.1(b)(9), in 2009, 2010, or 2011, as determined by the county auditor.

(g) An individual or entity that:

(1) was eligible for a homestead credit under IC 6-1.1-20.9 (repealed) for property taxes imposed for the March 1, 2007, or January 15, 2008, assessment date; or

(2) would have been eligible for a homestead credit under IC 6-1.1-20.9 (repealed) for property taxes imposed for the March 1, 2008, or January 15, 2009, assessment date if IC 6-1.1-20.9 had not been repealed;

is not required to file a statement to apply for a deduction under section 37 of this chapter if the individual or entity remains eligible for the deduction in the current year. An individual or entity that filed for a homestead credit under IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if the property is real property), or after January 1, 2008 (if the property is personal property), shall be treated as an individual or entity that has filed for a deduction under section 37 of this chapter. However, the individual or entity must comply with the requirement in IC 6-1.1-22-8.1(b)(9), in 2009, 2010, or 2011, as determined by the county auditor.".

Page 4, line 19, strike "or".

Page 4, line 19, after "17.4" insert ", **or 37**".

Page 4, line 32, delete "A" and insert "**This subsection applies to a limited liability company, a partnership, or any other entity that owns real property not described in section 37(a)(2)(B)(i), 37(a)(2)(B)(ii), 37(a)(2)(B)(iii), or 37(a)(2)(B)(iv) of this chapter. An**".

Page 4, line 35, delete "The individual, upon verification" and insert "**The entity does not have any shareholders, members, or other owners other than individuals who use the real property as the individuals' principal place of residence, as verified**".

Page 4, line 36, delete ", is the sole owner".

Page 4, line 40, delete "The individual" and insert "**Each individual who is a shareholder, member, or other owner of the entity**".

Page 4, between lines 40 and 41, begin a new line block indented and insert:

"**(4) The entity has provided the county auditor with the latest copy of the entity's federal tax return filed with the United States Internal Revenue Service.**".

Page 5, line 23, delete "in which" and insert "**if**".

Page 5, line 24, delete "has a beneficial interest;" and insert "**is an individual described in section 17.9(a) of this chapter;**".

Page 5, line 26, delete "in which only the" and insert "**if the individual is an individual described in section 17.9(b) of this chapter;**".

Page 5, line 27, delete "individual has a beneficial interest;".

Page 6, line 33, delete "and".

Page 6, line 34, after "(3)" insert "**the names of:**

(A) the applicant and the applicant's spouse (if any):

(i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

(ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is an individual; or

(B) each individual who qualifies property as a homestead under subsection (a)(2)(B) and the individual's spouse (if any):

(i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

(ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is not an individual; and

(4)".

Page 6, line 37, before "The" insert "**If a form or statement provided to the county auditor under this section, IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or part or all of the Social Security number of a party, the telephone number and the Social Security number included is confidential.**".

Page 7, line 10, delete "chapter:" and insert "**section or who otherwise qualifies property for a deduction under this section:**".

Page 7, line 27, delete "one hundred dollars ($100) for each year the" and insert "**a civil penalty equal to ten percent (10%) of the additional taxes due. The civil penalty imposed under this subsection is in addition to any interest and penalties for a delinquent payment that might otherwise be due.**".

Page 7, line 28, delete "violation occurs.".

Page 10, between lines 26 and 27, begin a new paragraph and insert:

"SECTION 7. IC 6-1.1-12-44, AS ADDED BY P.L.144-2008, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 44. (a) A sales disclosure form under IC 6-1.1-5.5:

(1) that is submitted:

(A) as a paper form; or

(B) electronically;

on or before December 31 of a calendar year to the county assessor by or on behalf of the purchaser of a homestead (as defined in ~~IC 6-1.1-20.9-1)~~ **section 37 of this chapter)** assessed as real property;

(2) that is accurate and complete;

(3) that is approved by the county assessor as eligible for filing with the county auditor; and

(4) that is filed:

(A) as a paper form; or

(B) electronically;

with the county auditor by or on behalf of the purchaser;

constitutes an application for the deductions provided by sections 26, 29, 33, ~~and~~ 34, **and 37** of this chapter with respect to property taxes first due and payable in the calendar year that immediately succeeds the calendar year referred to in subdivision (1).

(b) Except as provided in subsection (c), if:

(1) the county auditor receives in a calendar year a sales disclosure form that meets the requirements of subsection (a); and

(2) the homestead for which the sales disclosure form is submitted is otherwise eligible for a deduction referred to in subsection (a);

the county auditor shall apply the deduction to the homestead for property taxes first due and payable in the calendar year for which the homestead qualifies under subsection (a) and in any later year in which the homestead remains eligible for the deduction.

(c) Subsection (b) does not apply if the county auditor, after receiving a sales disclosure form from or on behalf of a purchaser under subsection (a)(4), determines that the homestead is ineligible for the deduction.".

Page 12, line 20, delete "A" and insert "**This subdivision applies to any property for which a deduction or credit is listed under subdivision (8) if the notice required under this subdivision was not provided to a taxpayer on a reconciling statement under IC 6-1.1-22.5-12. In 2009, 2010, or 2011, as determined by the county auditor, a**".

Page 12, line 22, delete "The notice does not have to be".

Page 12, delete line 23.

Page 12, line 24, delete "deduction.".

Page 12, delete lines 31 through 33, and insert "**The notice must include a place for the taxpayer to indicate, under penalties of perjury, for each deduction and credit listed under subdivision (8), whether the property is eligible for the deduction or credit listed under subdivision (8). The notice must also include a place for each individual who qualifies the property for a deduction or credit listed in subdivision (8) to indicate the name of the individual and the name of the individual's spouse (if any), as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number (or that they use as their legal names when they sign their names on legal documents), and the last five (5) digits of each individual's Social Security number.**".

Page 12, line 34, delete "property or investment property.".

Page 12, line 34, after "must" insert "**explain that the taxpayer must complete and return the notice with the required information and that failure to complete and return the notice may result in disqualification of property for deductions and credits listed in subdivision (8), must explain how to return the notice, and must**".

Page 12, line 34, after "be" insert "on".

Page 12, line 36, after "statement." insert "**The notice must be prepared in the form prescribed by the department of local government finance and include any additional information required by the department of local government finance. This subdivision expires January 1, 2012.**".

Page 18, delete lines 10 through 34, begin a new paragraph and insert:

"**(d) At the election of a county auditor, a checklist required by IC 6-1.1-22-8.1(b)(8) and a notice required by IC 6-1.1-22-8.1(b)(9) may be sent to a taxpayer with a reconciling statement under this section. This subsection expires January 1, 2012.**".

Page 19, between lines 35 and 36, begin a new line block indented and insert:

"**(3) The cost of preparing, sending, and processing notices described in IC 6-1.1-22-8.1(b)(9) and checklists or notices described in IC 6-1.1-22.5-12(d).**".

Page 20, after line 30, begin a new paragraph and insert:

"SECTION 14. IC 36-2-11-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. (a) The recorder shall index each volume of instruments the recorder records by:

(1) the name of each grantor, promisor, or covenantor, in alphabetical order and cross-referenced to the proper grantee, promisee, or covenantee; and

(2) the name of each grantee, promisee, or covenantee, in alphabetical order and cross-referenced to the proper grantor, promisor, or covenantor.

After June 30, 2009, each name described in subdivision (1) shall be cross referenced to names provided under section 16(c)(2) of this chapter.

(b) The recorder shall accurately maintain separate indexes of all the records of:

(1) deeds for real estate; and

(2) mortgages on real estate;

in the recorder's office. The recorder shall index each deed or mortgage alphabetically, by the name of each grantor and grantee or mortgagor and mortgagee, and shall include in each index entry a concise description of the real property, the date of the deed or mortgage, and the number or letter of the book and the page at which each deed or mortgage is recorded.

SECTION 15. IC 36-2-11-16, AS AMENDED BY P.L.129-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 16. (a) This section does not apply to:

(1) an instrument executed before November 4, 1943;

(2) a judgment, order, or writ of a court;

(3) a will or death certificate; or

(4) an instrument executed or acknowledged outside Indiana.

(b) Whenever this section prescribes that the name of a person be printed, typewritten, or stamped immediately beneath the person's signature, the signature must be written on the instrument, directly preceding the printed, typewritten, or stamped name, and may not be superimposed on that name so as to render either illegible. However, the instrument may be received for record if the name and signature are, in the discretion of the county recorder, placed on the instrument so as to render the connection between the two apparent.

(c) Except as provided in subsection (d), the recorder may receive for record an instrument only if all of the following requirements are met:

(1) The name of each person who executed the instrument is legibly printed, typewritten, or stamped immediately beneath the person's signature or the signature itself is printed, typewritten, or stamped.

(2) This subdivision applies only to an instrument that:

(A) is recorded after June 30, 2009;

(B) is executed by at least one (1) person who is an individual; and

(C) conveys an ownership interest in a dwelling (as defined in IC 6-1.1-12-37) or a right to buy a dwelling (as defined in IC 6-1.1-12-37) if the purchaser is obligated to pay the property taxes on the dwelling.

The instrument or an affidavit accompanying the instrument must, under penalties of perjury, either affirm that the name of each individual on the instrument is the same as the name of that individual as it appears in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number (or that they use as their legal names when they sign their names on legal documents) or identify each individual by the name of that individual as it appears in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number (or that they use as their legal names when they sign their names on legal documents).

~~(2)~~ **(3)** The name of each witness to the instrument is legibly printed, typewritten, or stamped immediately beneath the signature of the witness or the signature itself is printed, typewritten, or stamped.

~~(3)~~ **(4)** The name of each notary public whose signature appears on the instrument is legibly printed, typewritten, or stamped immediately beneath the signature of the notary public or the signature itself is printed, typewritten, or stamped.

~~(4)~~ **(5)** The name of each person who executed the instrument appears identically in the body of the instrument, in the acknowledgment or jurat, in the person's signature, and beneath the person's signature.

~~(5)~~ **(6)** If the instrument is a copy, the instrument is marked "Copy".

(d) The recorder may receive for record an instrument that does not comply with subsection (c) if all of the following requirements are met:

(1) A printed or typewritten affidavit of a person with personal knowledge of the facts is recorded with the instrument.

(2) The affidavit complies with this section.

(3) The affidavit states the correct name of a person, if any, whose signature cannot be identified or whose name is not printed, typewritten, or stamped on the instrument as prescribed by this section.

(4) When the instrument does not comply with subsection (c)(4), the affidavit states the correct name of the person and states that each of the names used in the instrument refers to the person.

(5) If the instrument is a copy, the instrument is marked "Copy".

(e) The recorder shall record a document presented for recording or a copy produced by a photographic process of the document presented for recording if:

(1) the document complies with other statutory recording requirements; and

(2) the document or copy will produce a clear and unobstructed copy.

(f) An instrument, document, or copy received and recorded by a county recorder is conclusively presumed to comply with this section. A recorded copy shall have the same effect as if the original document had been recorded.

SECTION 16. IC 36-7-18-45 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 45. Upon request of a county auditor, a housing authority shall provide without charge a list showing:**

(1) the names of all landlords of single family dwellings for which payments administered by the housing authority are made as housing assistance; and

(2) the corresponding addresses of these single family dwellings.

SECTION 17. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1334 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 18, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred House Bill 1408, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 4 through 42.

Delete pages 3 through 17.

Page 18, delete lines 1 through 34.

Page 19, delete lines 31 through 42.

Delete page 20.

Page 21, delete lines 1 through 24.

Renumber all SECTIONS consecutively.

(Reference is to HB 1408 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

BARDON, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1420, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 12, nays 0.

PORTER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred House Bill 1423, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 10, nays 0.

BATTLES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred House Bill 1429, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 11, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Small Business and Economic Development, to which was referred House Bill 1434, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 11, nays 0.

RESKE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1443, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 11-10-12-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 7. (a) The department, at least ninety (90) days before a committed offender will be:**

(1) released on parole;

(2) assigned to a community transition program;

(3) discharged from the department; or

(4) released on probation;

may offer to the inmate to remove any tattoos on the inmate's body.

(b) If an inmate requests the department to remove a tattoo on the inmate's body under subsection (a), the department may, subject to the approval of the medical director of the department:

(1) carry out the removal of tattoos from the inmate at a facility designated by the commissioner of the department; and

(2) remove tattoos on the face, neck, arms, and hands of the inmate.

(c) The department shall pay expenses related to tattoo removal conducted under this section and provide the tattoo removal before the inmate is:

(1) released on parole;

(2) assigned to a community transition program;

(3) discharged from the department; or

(4) released on probation.".

Page 2, line 19, delete "may" and insert "**shall**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1443 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 19, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1448, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.

Delete page 2.

Page 3, delete lines 1 through 40.

Page 5, delete lines 6 through 42, begin a new paragraph and insert:

"SECTION 1. IC 6-8-13 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 13. Indiana Long Term Care Savings Plan

Sec. 1. As used in this chapter, "eligible long term care expense" means:

(1) an expense paid by a participant for long term care provided to the participant; or

(2) a premium paid by a participant who is at least fifty (50) years of age for a qualified long term care policy for the participant.

Sec. 2. As used in this chapter, "financial institution" has the meaning set forth in IC 5-13-4-10.

Sec. 3. As used in this chapter, "Internal Revenue Code" has the meaning set forth in IC 6-3-1-11.

Sec. 4. As used in this chapter,"long term care" has the meaning set forth in IC 12-15-39.6-1.

Sec. 5. As used in this chapter, "participant" means an individual who is participating in the plan.

Sec. 6. As used in this chapter, "plan" refers to the Indiana long term care savings plan established by section 9(a) of this chapter.

Sec. 7. As used in this chapter, "qualified long term care policy" has the meaning set forth IC 12-15-39.6-5.

Sec. 8. As used in this chapter, "taxable year" has the meaning set forth in IC 6-3-1-16.

Sec. 9. (a) The Indiana long term care savings plan is created for the purpose of funding by a participant on a tax-favored basis an account to pay eligible long term care expenses of the participant.

(b) The department of financial institutions shall enter into agreements with one (1) or more financial institutions to receive contributions in the form of account deposits.

Sec. 10. (a) After December 31, 2009, an individual may participate in the plan by making contributions to an account at a financial institution with which the department of financial institutions has an agreement under section 9(b) of this chapter.

(b) A participant may make contributions under the plan to an account with a financial institution with which the department of financial institutions has an agreement under section 9(b) of this chapter. However, a participant may not contribute more than one hundred sixty-five thousand dollars ($165,000) to the plan during the participant's lifetime. The dollar amount of the maximum lifetime contribution must be adjusted annually for inflation in accordance with Section 151 of the Internal Revenue Code.

(c) A participation agreement must provide the following:

(1) That the agreement may be:

(A) canceled by a participant; or

(B) transferred to a participant's spouse:

upon the terms and conditions set by the department of financial institutions.

(2) That a participant is the owner of contributions made to the plan, plus credited earnings on the contributions, unless the participant transfers the agreement.

(3) That if:

(A) a participant cancels the agreement; or

(B) the plan established by section 9(a) of this chapter is terminated;

a participant is entitled to receive the amount of the participant's contributions to the plan plus credited earnings on the participant's contributions. A participant may not receive more than the fair market value of the participant's account on the date the participant's account is liquidated.

Sec. 11. IC 6-3-2-22 governs state income tax treatment of contributions to, investment earnings or interest on, withdrawals from, and distributions from the plan established under this chapter.

Sec. 12. The department of financial institutions may adopt rules under IC 4-22-2 that it considers appropriate or necessary to implement this chapter.

Sec. 13. This chapter may not be construed as an obligation of the state to assume any responsibility for the Indiana long term care savings plan.".

Delete pages 6 through 7.

Page 8, delete lines 1 through 10.

Renumber all SECTIONS consecutively.

(Reference is to HB 1448 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 18, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred House Bill 1460, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 0.

BARDON, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1461, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-29-1-1, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. The general assembly declares the following:

(1) The citizens of Indiana have a fundamental interest in the development of harmonious and cooperative relationships between school corporations and their ~~certificated~~ employees.

(2) Recognition by school employers of the right of school employees to organize and acceptance of the principle and procedure of collective bargaining **or discussion, or both,** between school employers and school employee organizations can alleviate various forms of strife and unrest.

(3) The state has a basic obligation to protect the public by attempting to prevent any material interference with the normal public school educational process.

(4) The relationship between school corporation employers and ~~certificated~~ school employees is not comparable to the relationship between private employers and employees for the following reasons:

(A) A public school corporation is not operated for profit but to ensure the citizens of Indiana rights guaranteed them by the Constitution of the State of Indiana.

(B) The obligation to educate children and the methods by which the education is effected will change rapidly with:

(i) increasing technology;

(ii) the needs of an advancing civilization; and

(iii) requirements for substantial educational innovation.

(C) The general assembly has delegated the discretion to carry out this changing and innovative educational function to the governing bodies of school corporations, composed of citizens elected or appointed under applicable law, a delegation that these bodies may not and should not bargain away.

(D) Public school corporations have different obligations concerning ~~certificated~~ school employees under constitutional and statutory requirements than private employers have to their employees.

SECTION 2. IC 20-29-2-13, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. "School employee" means a full-time certificated person in the employment of the school employer **or a noncertificated person in the employment of the school employer.** A school employee is considered full time even though the employee does not work during school vacation periods and accordingly works less than a full year. The term does not include:

(1) supervisors;

(2) confidential employees; **and**

(3) employees performing security work. ~~and~~

~~(4) noncertificated employees.~~

SECTION 3. IC 20-29-6-1, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. **(a)** School employers and **certificated** school employees shall:

(1) have the obligation and the right to bargain collectively the items set forth in section 4 of this chapter;

(2) have the right and obligation to discuss any item set forth in section 7 of this chapter; and

(3) enter into a contract embodying any of the matters on which they have bargained collectively.

(b) School employers and noncertificated school employees:

(1) shall have the right and obligation to discuss any item set forth in section 7(d) of this chapter; and

(2) may (but are not required to):

(A) bargain collectively:

(B) negotiate;

(C) be subject to or enter into impasse procedures; or

(D) enter into a written contract.

SECTION 4. IC 20-29-6-4, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. A school employer shall bargain collectively with the exclusive representative **of certificated employees** on the following:

(1) Salary.

(2) Wages.

(3) Hours.

(4) Salary and wage related fringe benefits, including accident, sickness, health, dental, or other benefits under IC 20-26-5-4 that were subjects of bargaining on July 1, 2001.

SECTION 5. IC 20-29-6-7, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) A school employer shall discuss with the exclusive representative of certificated employees the items listed in subsection (b).

(b) A school employer may but is not required to bargain collectively, negotiate, or enter into a written contract concerning, be subject to, or enter into impasse procedures on the following matters:

(1) Working conditions, other than those provided in section 4 of this chapter.
(2) Curriculum development and revision.
(3) Textbook selection.
(4) Teaching methods.
(5) Hiring, promotion, demotion, transfer, assignment, and retention of certificated employees, and changes to any of the requirements set forth in IC 20-28-6 through IC 20-28-8.
(6) Student discipline.
(7) Expulsion or supervision of students.
(8) Pupil/teacher ratio.
(9) Class size or budget appropriations.

(c) Items included in the 1972-1973 agreements between an employer school corporation and the school employee organization continue to be bargainable.

(d) A school employer shall discuss with the exclusive representative of noncertificated employees and may (but is not required to) bargain collectively, negotiate, be subject to or enter into impasse procedures, or enter into a written contract concerning the following matters:

(1) Salary, wages, hours, and wage-related fringe benefits.
(2) Working conditions.
(3) Procedures for selection, assignment, promotion, or discipline of personnel.
(4) Procedures for student discipline.

(e) Any items included in the 2004-2005 or subsequent agreement between an employer school corporation and employee organization of noncertificated employees continue to be bargainable.

SECTION 6. [EFFECTIVE JULY 1, 2009] **(a) This act does not:**

(1) apply to or abrogate a collective bargaining agreement or memorandum of understanding; or
(2) preclude arbitration on a provision in a collective bargaining agreement or memorandum of understanding;

in effect on June 30, 2009.

(b) This SECTION expires December 31, 2011.

(Reference is to HB 1461 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 5.

NIEZGODSKI, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1470, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning Medicaid.

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE JULY 1, 2009] **(a) As used in this SECTION, "commission" refers to the select joint commission on Medicaid oversight established by IC 2-5-26-3.**

(b) As used in this SECTION, "health facility" means an entity that is:

(1) licensed under IC 16-28 as a comprehensive care facility; and
(2) a Medicaid provider under IC 12-15.

(c) As used in this SECTION, "price based reimbursement system" means a system that includes the following components:

(1) A fixed price component for administrative costs, including a statewide:
(A) direct care personnel price; and
(B) price for personnel who do not provide direct care.
(2) The following additional payments:
(A) A fair rental value calculation for capital reimbursement that is the result of:
(i) the number of beds; multiplied by
(ii) the average historical cost of a health facility bed in Indiana; multiplied by
(iii) a rental rate factor.
(B) Therapy reimbursement for therapy services provided to a Medicaid recipient, based on either:
(i) a ratio of therapy revenue reported on the health facility's Medicaid cost report to total therapy revenue reported; or
(ii) directly billed therapy services.
(C) A quality assessment fee for providers that make quality assessment payments.
(D) Real estate and personal property taxes.
(E) A Medicaid utilization incentive for providers that serve a higher percentage of Medicaid recipients than the average provider.

(d) During the 2009 legislative interim, the commission shall study the impact of changing the system of Medicaid reimbursement for health facilities to a price based reimbursement system instead of a case mix reimbursement system.

(e) This SECTION expires December 31, 2009.

SECTION 2. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "health facility" refers to a health facility that is licensed under IC 16-28 as a comprehensive care facility.**

(b) As used in this SECTION, "health facility quality assessment fee" refers to the quality assessment collected by the office under P.L.3-2007, SEC. 1.

(c) As used in this SECTION, "nursing facility" means a health facility that is certified for participation in the federal Medicaid program under Title XIX of the federal Social Security Act (42 U.S.C. 1396 et seq.).

(d) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(e) The office shall collect a health facility quality assessment fee from a health facility or a nursing facility that is required to pay the assessment at the maximum percentage allowed under federal Medicaid law.

(f) The office shall apply for any approval necessary from the federal Department of Health and Human Services necessary to implement this SECTION. If approval from the federal Department of Health and Human Services is not necessary, the office shall implement the maximum health facility quality assessment fee not later than thirty (30) days after the passage of this act.

(g) If the office receives approval under subsection (f), the office shall file an affidavit with the governor attesting that the approval applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified of the approval.

(h) If the office receives approval under subsection (f) and the governor receives the affidavit filed under subsection (g), the office shall implement the approved health facility quality assessment fee not more than sixty (60) days after the governor receives the affidavit.

(i) The office may adopt rules under IC 4-22-2 necessary to implement this SECTION.

(j) This SECTION expires August 1, 2013.

SECTION 3. **An emergency is declared for this act.**

(Reference is to HB 1470 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 20, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1477, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 25, delete "online learning provider" and insert "**school corporation**".

Page 4, line 3, delete "state board." and insert "**school corporation.**".

Page 4, line 9, delete "The following apply when a student enrolls in an online" and insert "**If a school corporation in which a student has legal settlement allows a student to enroll in a virtual learning course when a regular course is offered and available at the school where the student attends school, the school corporation shall have its regular education funding for the student reduced by eight percent (8%) per course.**".

Page 4, delete lines 10 through 38.

Page 4, line 39, delete "Sec. 18." and insert "**Sec. 17.**".

(Reference is to HB 1477 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 5, nays 3.

OXLEY, Vice Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred House Bill 1495, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 20, delete "has a" and insert "**exceeds the**".

Page 3, line 20, delete "content that is more than" and insert "**limits set forth in 15 U.S.C. 1278a(a)(2); or**".

Page 3, delete lines 21 through 22.

Page 3, line 26, delete "has a" and insert "**exceeds the**".

Page 3, line 26, delete "content that is more than" and insert "**limits set forth in 15 U.S.C. 1278a(a)(2).**".

Page 3, delete lines 27 through 28.

(Reference is to HB 1495 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1498, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 5, between lines 35 and 36, begin a new paragraph and insert:

"SECTION 3. IC 5-10.2-5-44 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 44. (a) The pension portion (plus postretirement increases to the pension portion) provided by employer contributions of the monthly benefit payable after December 31, 2009, to a member of the Indiana state teachers' retirement fund (or to a survivor or beneficiary of a member of the Indiana state teachers' retirement fund) who retired or was disabled:**

(1) before July 2, 2001, shall be increased by two percent (2%); and

(2) after July 1, 2001, and before July 2, 2007, shall be increased by one percent (1%).

(b) The increases specified in this section:

(1) are based upon the date of the member's latest retirement or disability;

(2) do not apply to benefits payable in a lump sum; and

(3) are in addition to any other increase provided by law.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1498 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 21, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred House Bill 1509, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.

Delete page 2.

Page 3, delete lines 1 through 39.

Page 9, delete lines 34 through 42, begin a new paragraph and insert:

"SECTION 5. IC 3-11-18 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 6. **An emergency is declared for this act.**".

Delete pages 10 through 11.

Renumber all SECTIONS consecutively.

(Reference is to HB 1509 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 5.

BATTLES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred House Bill 1511, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 18, delete "and".

Page 2, line 20, delete "custody." and insert "**custody; and**

(7) whether there is a pattern of domestic or family violence.".

(Reference is to HB 1511 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1514, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 19, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1572, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 15, begin a new paragraph and insert:

"SECTION 1. IC 2-5-23-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. ~~Beginning May 1, 1997,~~ **(a)** The health policy advisory committee is established. At the request of the chairman **of the commission,** the health policy advisory committee shall provide information and otherwise assist the commission to perform the duties of the commission under this chapter.

(b) The health policy advisory committee members are ex officio and may not vote.

(c) The health policy advisory committee members shall be appointed from the general public and must include one (1) individual who represents each of the following:

(1) The interests of public hospitals.
(2) The interests of community mental health centers.
(3) The interests of community health centers.
(4) The interests of the long term care industry.
(5) The interests of health care professionals licensed under IC 25, but not licensed under IC 25-22.5.
(6) The interests of rural hospitals. An individual appointed under this subdivision must be licensed under IC 25-22.5.
(7) The interests of health maintenance organizations (as defined in IC 27-13-1-19).
(8) The interests of for-profit health care facilities (as defined in IC 27-8-10-1).
(9) A statewide consumer organization.
(10) A statewide senior citizen organization.
(11) A statewide organization representing people with disabilities.
(12) Organized labor.
(13) The interests of businesses that purchase health insurance policies.
(14) The interests of businesses that provide employee welfare benefit plans (as defined in 29 U.S.C. 1002) that are self-funded.
(15) A minority community.
(16) The uninsured. An individual appointed under this subdivision must be and must have been chronically uninsured.
(17) An individual who is not associated with any organization, business, or profession represented in this subsection other than as a consumer.

(d) The chairman of the commission shall annually select a member of the health policy advisory committee to serve as chairperson.

(e) The health policy advisory committee shall meet at the call of the chairperson of the health policy advisory committee.

(f) The health policy advisory committee shall submit quarterly reports to the commission and the select joint commission on Medicaid oversight that summarize the committee's actions and the committee's findings and recommendations on any topic assigned to the committee. The report must be in an electronic format under IC 5-14-6.".

Page 2, line 2, reset in roman "may".

Page 2, line 2, delete "shall".

Page 2, line 5, delete "each managed care provider" and insert "**the office shall establish a uniformed prescription drug formulary to be administered and managed by the Medicaid managed care companies. Each managed care provider that has contracted with the office under IC 12-15-30 shall submit to the office recommendations of prescription drugs to be added to the formulary. The office shall use its discretion to determine the process for review, edits, and additions to the formulary as required by the drug utilization review board. The prescription drug formulary is not required to be the same as the drug utilization review board's preferred drug list established by IC 12-15-35.**".

Page 2, delete lines 6 through 10.

Page 2, line 28, delete "the following".

Page 3, delete lines 19 through 42.

Delete pages 4 through 5.

Page 6, delete lines 1 through 41, begin a new paragraph and insert:

"SECTION 7. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "advisory committee" refers to the health policy advisory committee established by IC 2-5-23-8.**

(b) Before July 1, 2010, the advisory committee shall study and make recommendations concerning the following:

(1) Whether the office of Medicaid policy and planning should expedite review of an infant's placement and determine that the infant is at a level of institutionalization that would qualify the child for federal Supplemental Security Income in situations in which an infant:
(A) is a patient in, or is anticipated to need care in, a neonatal or perinatal intensive care setting for at least thirty (30) days; or
(B) has an illness that falls in the diagnosis related group (DRG) category list used by the office that would qualify the infant as disabled.
(2) Whether the office of Medicaid policy and planning should publish on the office's web site the diagnosis related group (DRG) category list used by the office in subdivision (1)(B).
(3) The minimum time needed to conduct an expedited review under subdivision (1).
(4) The uniform definitions that a managed care organization that has contracted with the office under IC 12-15-30 must have, including the following terms:
(A) "Administrative denial".
(B) "Appeal".
(C) "Complaint".
(D) "Grievance".
(E) "Inquiry".
(F) "Medical necessity denial".
(G) "Reconsideration".
(H) Any other definitions outlined by the National Commission on Quality Assurance.
(5) The uniform procedures that a managed care organization that has contracted with the office under IC 12-15-30 must have, including a uniform procedure for the following:
(A) Credentialing that allows a provider to be credentialed one (1) time for participation in any Medicaid program.
(B) Claims processing.
(6) The uniform process and form to be used by managed care organizations that have contracted with the office of Medicaid policy and planning under IC 12-15-30, including the following forms:
(A) A denial of a claim form.
(B) An appeals process form.
(C) A prior authorization form.
(D) Any other forms that are necessary for consistency and standardization according to National Commission on Quality Assurance accreditation criteria.
(7) The prevalence of reclassification of an initial request made by a provider, including a request for appeal.
(8) Simplified uniform reporting criteria for the

following:

(A) Pharmacy claim reviews, including denials, appeals, and overturns.

(B) Medical necessary prior authorization approvals, denials, and overturns.

(C) Administrative denials, appeals, and overturns.

(9) The current state data reporting metrics.

(10) Any needed revisions to the reporting requirements to comply with the National Commission on Quality Assurance reporting and outcome standards.

(c) Before June 1, 2009:

(1) the president pro tempore of the senate shall appoint members of the advisory committee as required under IC 2-5-23-9; and

(2) the speaker of the house of representatives shall appoint members of the advisory committee as required under IC 2-5-23-10.

(d) This SECTION expires July 1, 2010.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1572 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Small Business and Economic Development, to which was referred House Bill 1598, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 14, delete "65;" and insert "**465;**".

Page 1, line 17, delete "or".

Page 1, after line 17, begin a new line double block indented and insert:

"**(E) a railroad yard;**

(F) a classification yard;

(G) an intermodal port; or".

Page 2, line 1, delete "(E)" and insert "**(H)**".

Page 2, delete lines 3 through 5.

Page 2, line 10, after "commercial" add "**motor**".

Page 2, line 20, delete "2013." and insert "**2015.**".

Page 2, line 37, delete "Except as provided in subsection (d), a" and insert "**A**".

Page 2, line 39, delete "two (2)" and insert "**five (5)**".

Page 2, delete lines 41 through 42.

Page 3, delete lines 1 through 4.

Page 3, line 5, delete "(e)" and insert "**(d)**".

Page 3, line 8, delete "(f)" and insert "**(e)**".

Page 4, line 18, delete "65;" and insert "**465;**".

Page 4, line 21, delete "or".

Page 4, between lines 21 and 22, begin a new line double block indented and insert:

"**(E) a railroad yard;**

(F) a classification yard;

(G) an intermodal port; or".

Page 4, line 22, delete "(E)" and insert "**(H)**".

Page 4, delete lines 24 through 26.

Page 5, line 21, delete "2013." and insert "**2015.**".

Page 5, line 38, delete "Except as provided in subsection (d), a" and insert "**A**".

Page 5, line 40, delete "two (2)" and insert "**five (5)**".

Page 5, delete line 42.

Page 6, delete lines 1 through 5.

Page 6, line 6, delete "(e)" and insert "**(d)**".

Page 6, line 9, delete "(f)" and insert "**(e)**".

(Reference is to HB 1598 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

SULLIVAN, Vice Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred House Bill 1602, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 7, line 5, delete "correction" and insert "**child services**".

(Reference is to HB 1602 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1610, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 10, delete "or withdraw".

Page 1, line 13, delete "or".

Page 1, line 14, delete "withdraw".

Page 1, line 15, delete "or withdrawal".

Page 1, line 17, delete "or withdrawal".

Page 2, delete lines 2 through 4.

Page 2, line 5, delete "(e)" and insert "**(d)**".

Page 2, line 5, delete "or withdrawal".

Page 2, line 36, after "to" delete ":".

Page 2, line 37, delete "(1)".

Page 2, run in lines 36 through 37.

Page 2, line 39, after "beneficiary" delete "; or" and insert "**.**".

Page 2, delete lines 40 through 41.

Page 3, line 2, delete "(d)(1)," and insert "**(d),**".

Page 3, line 15, delete "(d)(1)" and insert "**(d)**".

Page 3, line 15, delete "twenty (20)" and insert "**the number of**".

Page 3, line 16, after "service" insert "**necessary to receive an unreduced pension benefit**".

Page 3, line 21, delete "(d)(1);" and insert "**(d);**".

Page 3, line 32, after "refund." insert "**If a withdrawal of the transferred amount occurs under this subsection, the benefit payable to the employee beneficiary from the retirement plan established under this chapter shall be adjusted as necessary to ensure that the plan remains actuarially cost neutral to the county.**".

(Reference is to HB 1610 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

NIEZGODSKI, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred House Bill 1618, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 3, delete "to a" and insert "**to the following:**

(1) A".

Page 1, between lines 5 and 6, begin a new line block indented and insert:

"**(2) The secretary of state's appearance or attendance at or participation in a convention or other function sponsored by a national, state, or local political party.**".

(Reference is to HB 1618 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 2.

BATTLES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred House Bill 1633, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 6, nays 4.

BARDON, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred House Bill 1646, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Replace the effective dates in SECTIONS 1 through 9 with "[EFFECTIVE JANUARY 1, 2010]".

Replace the effective dates in SECTIONS 11 through 13 with "[EFFECTIVE JANUARY 1, 2010]".

Replace the effective dates in SECTIONS 15 through 18 with "[EFFECTIVE JANUARY 1, 2010]".

Page 3, line 32, delete "or" and insert "**and**".

Page 5, line 10, delete "institution (as defined in IC 23-19-1-2(5));" and insert "**institution;**".

Page 5, line 12, delete "institution (as" and insert "**institution; and**".

Page 5, delete line 13.

Page 5, line 16, delete "subject to the supervision of" and insert "**regulated by**".

Page 5, line 19, after "the" insert "**Nationwide**".

Page 6, between lines 21 and 22, begin a new paragraph and insert:

"**(u) As used in this chapter, "depository institution" has the meaning set forth in the Federal Deposit Insurance Act (12 U.S.C. 1813(c)) and includes any credit union.**

(v) As used in this chapter, "state licensed mortgage loan originator" means any individual who:

(1) is a mortgage loan originator;

(2) is not an employee of:

(A) a depository institution;

(B) a subsidiary that is:

(i) owned and controlled by a depository institution; and

(ii) regulated by a federal financial institution regulatory agency (as defined in 12 U.S.C. 3350(6)); or

(C) an institution regulated by the Farm Credit Administration;

(3) is licensed by a state or by the Secretary of the United States Department of Housing and Urban Development under Section 1508 of the S.A.F.E. Mortgage Licensing Act of 2008 (Title V of P.L.110-289); and

(4) is registered as a mortgage loan originator with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System and Registry.

(w) As used in this chapter, "unique identifier" means a number or other identifier that:

(1) permanently identifies a mortgage loan originator; and

(2) is assigned by protocols established by the Nationwide Mortgage Licensing System and Registry and the federal financial institution regulatory agencies to facilitate:

(A) the electronic tracking of mortgage loan originators; and

(B) the uniform identification of, and public access to, the employment history of and the publicly adjudicated disciplinary and enforcement actions against mortgage loan originators.".

Page 6, line 32, after "registration" insert "**unique identifier from the Nationwide Mortgage Licensing System and Registry and a**".

Page 6, line 40, after "registration" insert "**unique identifier from the Nationwide Mortgage Licensing System and Registry and a**".

Page 7, between lines 13 and 14, begin a new paragraph and insert:

"**(f) A unique identifier obtained by an individual from the Nationwide Mortgage Licensing System and Registry under subsection (b) or (c) may not be used for purposes other than those set forth in the S.A.F.E. Mortgage Licensing Act of 2008 (Title V of P.L.110-289).**".

Page 8, delete lines 31 through 33.

Page 9, delete lines 21 through 23.

Page 11, between lines 36 and 37, begin a new paragraph and insert:

"**(l) The commissioner shall require each applicant for licensure as:**

(1) a mortgage loan originator; or

(2) a principal manager;

to submit written authorization for the commissioner or an agent of the commissioner to obtain a consumer report (as defined in IC 24-5-24-2) concerning the applicant.

(m) In reviewing a consumer report obtained under subsection (l), the commissioner may consider one (1) or more of the following in determining whether an individual described in subsection (l) has demonstrated financial responsibility:

(1) Bankruptcies filed by the individual within the most recent ten (10) years.

(2) Current outstanding civil judgments against the individual, except judgments resulting solely from medical expenses owed by the individual.

(3) Current outstanding tax liens or other government liens or filings.

(4) Foreclosure actions filed within the most recent three (3) years against property owned by the individual.

(5) Any pattern of seriously delinquent accounts associated with the individual during the most recent three (3) years.".

Page 12, line 3, delete "commissioner." and insert "**commissioner and approved by the Nationwide Mortgage Licensing System and Registry.**".

Page 12, line 32, delete "July 1, 2009." and insert "**January 1, 2010.**".

Page 12, line 36, delete "July 1, 2009," and insert "**January 1, 2010,**".

Page 12, line 36, delete "June 30, 2009," and insert "**December 31, 2009,**".

Page 12, line 38, delete "July 1, 2009." and insert "**January 1, 2010.**".

Page 12, line 38, delete "June 30, 2009," and insert "**December 31, 2009,**".

Page 13, line 3, delete "June 30, 2009." and insert "**December 31, 2009.**".

Page 13, line 5, delete "July 1, 2009," and insert "**January 1,**

2010,".

Page 13, line 5, delete "June 30," and insert "**December 31,**".

Page 13, line 7, delete "July 1, 2009." and insert "January 1, 2010.".

Page 13, line 7, delete "June 30, 2009," and insert "**December 31, 2009,**".

Page 17, line 19, after "crime" insert "**, other than a felony,**".

Page 22, line 10, strike "National" and insert "**Nationwide**".

Page 24, line 1, reset in roman "subsection".

Page 24, line 2, delete "subsections".

Page 24, line 2, after "(b)" insert ",".

Page 24, line 2, delete "and (c),".

Page 26, line 33, delete "National" and insert "**Nationwide**".

Page 28, delete lines 15 through 18.

Page 29, line 17, after "commissioner" delete ".".

Page 29, line 17, after "business." insert "**and approved by the Nationwide Mortgage Licensing System and Registry.**".

Page 29, line 30, after "commissioner" insert ",".

Page 29, line 30, reset in roman "and".

Page 29, line 31, after "business;" insert "**approved by the Nationwide Mortgage Licensing System and Registry,**".

Page 34, between lines 5 and 6, begin a new paragraph and insert:

"**(b) A person who knowingly violates section 1 of this chapter commits a Class B felony if the person harmed, defrauded, misled, or deceived by the violation is at least sixty (60) years of age.**".

Page 34, line 6, delete "(b)" and insert "**(c)**".

Page 34, line 11, delete "(c)" and insert "**(d)**".

Page 34, line 39, delete "(d)" and insert "**(e)**".

Page 34, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 21. IC 24-4.2 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2011]:

ARTICLE 4.2. RESIDENTIAL MORTGAGE LOAN BROKERS

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Bona fide third party fee", with respect to a residential mortgage loan, includes any of the following:

(1) Fees for real estate appraisals. However, if the residential mortgage loan is governed by Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (12 U.S.C. 3331 through 3352), the fee for an appraisal performed in connection with the loan is not a bona fide third party fee unless the appraisal is performed by a person that is licensed or certified under IC 25-34.1-3-8.

(2) Fees for title examination, abstract of title, title insurance, property surveys, or similar purposes.

(3) Notary and credit report fees.

(4) Fees for the services provided by a loan broker in procuring possible business for a creditor if the fees are paid by the creditor.

Sec. 3. "Branch office" means any fixed physical location from which a loan broker licensee holds itself out as engaging in the loan brokerage business.

Sec. 4. "Department" refers to the department of financial institutions.

Sec. 5. "Depository institution" has the meaning set forth in the Federal Deposit Insurance Act (12 U.S.C. 1813(c)) and includes any credit union.

Sec. 6. "Licensee" means a person that is issued a license under this article.

Sec. 7. (a) "Loan broker" means any person who, in return for any consideration from any source procures, attempts to procure, or assists in procuring, a residential mortgage loan from a third party or any other person, whether or not the person seeking the loan actually obtains the loan.

(b) The term does not include:

(1) any supervised financial organization (as defined in IC 24-4.5-1-301(20)), including a bank, savings bank, trust company, savings association, or credit union;

(2) any other financial institution that is:

(A) regulated by any agency of the United States or any state; and

(B) regularly actively engaged in the business of making consumer loans that are not secured by real estate or taking assignment of consumer sales contracts that are not secured by real estate;

(3) any insurance company;

(4) any person arranging financing for the sale of the person's product; or

(5) a creditor that is licensed under IC 24-4.4-2-402.

Sec. 8. "Loan broker license" means a license issued by the department authorizing a person to engage in the loan brokerage business.

Sec. 9. "Loan brokerage business" means a person acting as a loan broker.

Sec. 10. "Loan processor or underwriter" means an individual who:

(1) is employed by a loan broker licensee and acts at the direction of, and subject to the supervision of, the loan broker licensee or a licensed principal manager employed by the loan broker licensee; and

(2) performs solely clerical or support duties on behalf of the loan broker licensee, including any of the following activities with respect to a residential mortgage loan application received by the loan broker licensee:

(A) The receipt, collection, distribution, and analysis of information commonly used in the processing or underwriting of a residential mortgage loan.

(B) Communicating with a borrower or potential borrower to obtain the information necessary for the processing or underwriting of a residential mortgage loan, to the extent that the communication does not include:

(i) offering or negotiating loan rates or terms; or

(ii) counseling borrowers or potential borrowers about residential mortgage loan rates or terms.

Sec. 11. "Mortgage loan origination activities" means performing any of the following activities for compensation or gain in connection with a residential mortgage loan:

(1) Receiving or recording a borrower's or potential borrower's residential mortgage loan application information in any form for use in a credit decision by a creditor.

(2) Offering to negotiate or negotiating terms of a residential mortgage loan.

Sec. 12. (a) "Mortgage loan originator" means an individual engaged in mortgage loan origination activities.

(b) The term does not include a person who:

(1) performs purely administrative or clerical tasks on behalf of a mortgage loan originator or acts as a loan processor or underwriter;

(2) performs only real estate brokerage activities and is licensed in accordance with IC 25-34.1 or the applicable laws of another state, unless the person is compensated by a creditor, a loan broker, a mortgage loan originator, or any agent of a creditor, a loan broker, or a mortgage loan originator; or

(3) is involved only in extensions of credit relating to time share plans (as defined in 11 U.S.C. 101(53D)).

Sec. 13. "Mortgage loan originator license" means a license issued by the department authorizing an individual to

act as a mortgage loan originator on behalf of a loan broker licensee.

Sec. 14. "Person" means an individual, a partnership, a trust, a corporation, a limited liability company, a limited liability partnership, a sole proprietorship, a joint venture, a joint stock company, or another group or entity, however organized.

Sec. 15. "Principal manager" means an individual who:

(1) has at least three (3) years of experience:

(A) as a mortgage loan originator; or

(B) in financial services;

that is acceptable to the department; and

(2) is principally responsible for the supervision and management of the employees and business affairs of a loan broker licensee.

Sec. 16. "Principal manager license" means a license issued by the department authorizing an individual to act as:

(1) a principal manager; or

(2) a mortgage loan originator;

on behalf of a loan broker licensee.

Sec. 17. "Real estate brokerage activity" means any activity that involves offering or providing real estate brokerage services to the public, including any of the following:

(1) Acting as a real estate broker or salesperson for a buyer, seller, lessor, or lessee of real property.

(2) Bringing together parties interested in the sale, lease, or exchange of real property.

(3) Negotiating, on behalf of any party, any part of a contract concerning the sale, lease, or exchange of real property, other than in connection with obtaining or providing financing for the transaction.

(4) Engaging in any activity for which the person performing the activity is required to be licensed under IC 25-34.1 or the applicable laws of another state.

(5) Offering to engage in any activity, or to act in any capacity with respect to any activity, described in subdivisions (1) through (4).

Sec. 18. "Registered mortgage loan originator" means a mortgage loan originator who:

(1) is an employee of:

(A) a depository institution;

(B) a subsidiary that is:

(i) owned and controlled by a depository institution; and

(ii) regulated by a federal financial institution regulatory agency (as defined in 12 U.S.C. 3350(6)); or

(C) an institution regulated by the Farm Credit Administration; and

(2) is registered with and maintains a unique identifier with the Mortgage Licensing System and Registry.

Sec. 19. "Residential mortgage loan" means a loan that is secured by a mortgage, deed of trust, or other consensual security interest on real estate in Indiana on which there is located or intended to be constructed a dwelling (as defined in the federal Truth in Lending Act (15 U.S.C. 1602(v)) that is or will be used primarily for personal, family, or household purposes.

Sec. 20. "State licensed mortgage loan originator" means any individual who:

(1) is a mortgage loan originator;

(2) is not an employee of:

(A) a depository institution;

(B) a subsidiary that is:

(i) owned and controlled by a depository institution; and

(ii) regulated by a federal financial institution regulatory agency (as defined in 12 U.S.C. 3350(6)); or

(C) an institution regulated by the Farm Credit Administration; and

(3) is licensed by a state or by the Secretary of the United States Department of Housing and Urban Development under Section 1508 of the S.A.F.E. Mortgage Licensing Act of 2008 (Title V of P.L.110-289); and

(4) is registered as a mortgage loan originator with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System and Registry.

Sec. 21. "Ultimate equitable owner" means a person who, directly or indirectly, owns or controls ten percent (10%) or more of the equity interest in a loan broker licensed or required to be licensed under this article, regardless of whether the person owns or controls the equity interest through one (1) or more other persons or one (1) or more proxies, powers of attorney, or variances.

Sec. 22. "Unique identifier" means a number or other identifier that:

(1) permanently identifies a mortgage loan originator; and

(2) is assigned by protocols established by the Nationwide Mortgage Licensing System and Registry and the federal financial institution regulatory agencies to facilitate:

(A) the electronic tracking of mortgage loan originators; and

(B) the uniform identification of, and public access to, the employment history of and the publicly adjudicated disciplinary and enforcement actions against mortgage loan originators.

Chapter 2. Licensing

Sec. 1. (a) A person may not engage in the loan brokerage business in Indiana unless the person first obtains a loan broker license from the department. Any person desiring to engage in the loan brokerage business shall apply to the department for a loan broker license under this article.

(b) An individual may not act as a mortgage loan originator in Indiana on behalf of a person licensed or required to be licensed as a loan broker under this article unless the individual first obtains a mortgage loan originator license from the department. An individual desiring to act as a mortgage loan originator on behalf of a person licensed or required to be licensed as a loan broker under this article shall apply to the department for a mortgage loan originator license under this article.

(c) An individual may not act as a principal manager on behalf of a person licensed or required to be licensed as a loan broker under this article unless the individual first obtains a principal manager license from the department. Any individual desiring to act as a principal manager on behalf of a person licensed or required to be licensed as a loan broker under this article shall apply to the department for a principal manager license under this article.

(d) The department may request evidence of compliance with this section at any of the following times:

(1) The time of application for an initial license.

(2) The time of renewal of a license.

(3) Any other time considered necessary by the department.

(e) For purposes of subsection (d), evidence of compliance with this section must include a criminal background check, including a national criminal history background check (as defined in IC 10-13-3-12) by the Federal Bureau of Investigation.

Sec. 2. (a) An application for a loan broker license or renewal of a loan broker license must contain:

(1) consent to service of process under subsection (g);

(2) evidence of the bond required in subsection (d);

(3) an application fee of two hundred dollars ($200),

plus one hundred dollars ($100) for each ultimate equitable owner;
(4) an affidavit affirming that none of the applicant's ultimate equitable owners, directors, managers, or officers have been convicted, in any jurisdiction, of:
(A) any felony within the previous seven (7) years; or
(B) an offense involving fraud or deception that is punishable by at least one (1) year of imprisonment;
unless such an affidavit is waived by the department under subsection (h);
(5) evidence that the applicant, if the applicant is an individual, has completed the education requirements under section 4 of this chapter;
(6) the name and license number for each mortgage loan originator to be employed by the licensee;
(7) the name and license number for each principal manager; and
(8) for each ultimate equitable owner, the following information:
(A) The name of the ultimate equitable owner.
(B) The address of the ultimate equitable owner, including the home address of the ultimate equitable owner if the ultimate equitable owner is an individual.
(C) The telephone number of the ultimate equitable owner, including the home telephone number if the ultimate equitable owner is an individual.
(D) The ultimate equitable owner's Social Security number and date of birth, if the ultimate equitable owner is an individual.

(b) An application for licensure as a mortgage loan originator shall be made on a form prescribed by the department. The application must include the following information for the individual that seeks to be licensed as a mortgage loan originator:
(1) The name of the individual.
(2) The home address of the individual.
(3) The home telephone number of the individual.
(4) The individual's Social Security number and date of birth.
(5) The name of the:
(A) loan broker licensee; or
(B) applicant for loan broker licensure;
for whom the individual seeks to be employed as a mortgage loan originator.
(6) Consent to service of process under subsection (g).
(7) Evidence that the individual has completed the education requirements described in section 4 of this chapter.
(8) An application fee of fifty dollars ($50).
(9) All:
(A) license numbers previously issued to the individual under IC 23-2-5 (before its repeal on January 1, 2011), if applicable; and
(B) license numbers previously issued to the individual under this article, if applicable.

(c) An application for licensure as a principal manager shall be made on a form prescribed by the department. The application must include the following information for the individual who seeks to be licensed as a principal manager:
(1) The name of the individual.
(2) The home address of the individual.
(3) The home telephone number of the individual.
(4) The individual's Social Security number and date of birth.
(5) The name of the:
(A) loan broker licensee; or
(B) applicant for loan broker licensure;
for whom the individual seeks to be employed as a principal manager.
(6) Consent to service of process under subsection (g).
(7) Evidence that the individual has completed the education requirements described in section 4 of this chapter.
(8) Evidence that the individual has at least three (3) years of experience in the:
(A) loan brokerage; or
(B) financial services;
business.
(9) An application fee of one hundred dollars ($100).
(10) All:
(A) license numbers previously issued to the individual under IC 23-2-5 (before its repeal on January 1, 2011), if applicable; and
(B) license numbers previously issued to the individual under this article, if applicable.

(d) A loan broker licensee must maintain a bond satisfactory to the department, which must cover the activities of each licensed mortgage loan originator and licensed principal manager employed by the loan broker licensee. The bond must be in one (1) of the following amounts, depending on the total amount of residential mortgage loans originated by the loan broker in the previous calendar year:
(1) Fifty thousand dollars ($50,000) if the total amount of residential mortgage loans originated by the loan broker in the previous calendar year was not greater than one million five hundred thousand dollars ($1,500,000).
(2) Seventy thousand dollars ($70,000) if the total amount of residential mortgage loans originated by the loan broker in the previous calendar year was greater than one million five hundred thousand dollars ($1,500,000) but not greater than five million dollars ($5,000,000).
(3) Ninety-five thousand dollars ($95,000) if the total amount of residential mortgage loans originated by the loan broker in the previous calendar year was greater than five million dollars ($5,000,000).
The bond shall be in favor of the state and shall secure payment of damages to any person aggrieved by any violation of this article by the licensee or any licensed mortgage loan originator or licensed principal manager employed by the licensee.

(e) The department shall issue a license and license number to an applicant for a loan broker license, a mortgage loan originator license, or a principal manager license if the applicant meets the applicable licensure requirements set forth in this article.

(f) Licenses issued by the department under this article expire on December 31 of the year in which they are issued.

(g) Every applicant for licensure or for renewal of a license shall file with the department, in such form as the department by rule or order prescribes, an irrevocable consent appointing the department to be the applicant's agent to receive service of any lawful process in any noncriminal suit, action, or proceeding against the applicant arising from the violation of any provision of this article. Service shall be made in accordance with the Indiana Rules of Trial Procedure.

(h) Upon good cause shown, the department may waive the requirements of subsection (a)(4) for one (1) or more of an applicant's ultimate equitable owners, directors, managers, or officers.

(i) Whenever an initial or a renewal application for a license is denied or withdrawn, the department shall retain the initial or renewal application fee paid.

(j) At the time of application for an initial license under this article, the department shall require each:
(1) equitable owner, in the case of an applicant for a

loan broker license;
(2) individual described in subsection (a)(4), in the case of an applicant for a loan broker license; and
(3) applicant for licensure as:
(A) a mortgage loan originator; or
(B) a principal manager;
to submit fingerprints for a national criminal history background check (as defined in IC 10-13-3-12) by the Federal Bureau of Investigation, for use by the department in determining whether the equitable owner, the individual described in subsection (a)(4), or the applicant should be denied licensure under this article for any reason set forth in IC 24-4.2-3-4. The equitable owner, individual described in subsection (a)(4), or applicant shall pay any fees or costs associated with the fingerprints and background check required under this subsection. The department may not release the results of a background check described in this subsection to any private entity.

(k) Every three (3) years, beginning with the third calendar year following the calendar year in which an initial license is issued under this article, the department shall require each:
(1) equitable owner, in the case of a loan broker licensee;
(2) individual described in subsection (a)(4), in the case of a loan broker licensee; and
(3) licensed:
(A) mortgage loan originator; or
(B) principal manager;
to submit fingerprints for a national criminal history background check (as defined in IC 10-13-3-12) by the Federal Bureau of Investigation, for use by the department in determining whether the equitable owner, the individual described in subsection (a)(4), or the licensee should be denied continued licensure under this article for any reason set forth in IC 24-4.2-3-4. The equitable owner, individual described in subsection (a)(4), or licensee shall pay any fees or costs associated with the fingerprints and background check required under this subsection. The department may not release the results of a background check described in this subsection to any private entity.

(l) The department shall require each applicant for licensure as:
(1) a mortgage loan originator; or
(2) a principal manager;
to submit written authorization for the department or an agent of the department to obtain a consumer report (as defined in IC 24-5-24-2) concerning the applicant.

(m) In reviewing a consumer report obtained under subsection (l), the department may consider one (1) or more of the following in determining whether an individual described in subsection (l) has demonstrated financial responsibility:
(1) Bankruptcies filed by the individual within the most recent ten (10) years.
(2) Current outstanding civil judgments against the individual, except judgments resulting solely from medical expenses owed by the individual.
(3) Current outstanding tax liens or other government liens or filings.
(4) Foreclosure actions filed within the most recent three (3) years against property owned by the individual.
(5) Any pattern of seriously delinquent accounts associated with the individual during the most recent three (3) years.

Sec. 3. (a) The department shall require an applicant for licensure as:
(1) a mortgage loan originator under section 2(b) of this chapter; or
(2) a principal manager under section 2(c) of this chapter;
to pass a written examination prepared and administered by the department or an agent appointed by the department and approved by the Nationwide Mortgage Licensing System and Registry.

(b) The written examination required by this section must measure the applicant's knowledge and comprehension in appropriate subject areas, including the following:
(1) Ethics.
(2) Federal laws and regulations concerning the origination of residential mortgage loans.
(3) State laws and rules concerning the origination of residential mortgage loans.

(c) An individual who answers at least seventy-five percent (75%) of the questions on the written examination correctly is considered to have passed the examination.

(d) An individual who does not pass the written examination may retake the examination up to two (2) additional times, with each subsequent attempt occurring at least thirty (30) days after the individual last sat for the examination. If an individual fails three (3) consecutive examinations, the individual must wait to retake the examination until at least six (6) months after the individual sat for the third examination.

(e) Except as provided in subsection (f), if an individual who has been issued a mortgage loan originator license or a principal manager license under this article:
(1) allows the individual's license to lapse; or
(2) otherwise does not maintain a valid license under this article;
for a period of at least five (5) years, the individual must retake the written examination required by this section.

(f) This subsection applies to an individual who was licensed as a mortgage loan originator or a principal manager under IC 23-2-5 (before its repeal on January 1, 2011). An individual to whom this subsection applies is not required to take the written examination required by this section except as follows:
(1) If the individual's license issued under IC 23-2-5 (before its repeal on January 1, 2011) was valid and in effect on December 31, 2010, the individual is considered licensed under this article as of January 1, 2011. After December 31, 2010, an individual described in this subdivision is not required to take the written examination required by this section unless the individual:
(A) allows the individual's license to lapse; or
(B) otherwise does not maintain a valid license;
for a period of at least five (5) years, beginning at any time after December 31, 2010.
(2) If the individual's license issued under IC 23-2-5 (before its repeal on January 1, 2011) was not valid and in effect on December 31, 2010, the individual is not considered licensed under this article as of January 1, 2011. After December 31, 2010, an individual described in this subdivision who seeks to act as a mortgage loan originator or a principal manager in Indiana must:
(A) apply to the department for licensure under section 2(b) or 2(c) of this chapter, whichever applies; and
(B) take the written examination required by this section.

Sec. 4. (a) A person applying for an initial license must provide to the department evidence that during the twenty-four (24) month period immediately preceding the application that the person completed at least twenty (20) hours of academic instruction, acceptable to the department and approved by the Nationwide Mortgage Licensing System and Registry. The education hours required under this

subsection must include the following:

(1) Three (3) hours of federal law and regulations concerning residential mortgage lending.

(2) Three (3) hours of ethics, including instruction on fraud, consumer protection, and fair lending practices.

(3) Two (2) hours of training concerning lending standards for nontraditional residential mortgage loan products.

(4) Two (2) hours of state law and rules concerning residential mortgage lending.

(b) To maintain a license under this article, a person must provide to the department evidence that the person has completed at least eight (8) hours of academic instruction that is acceptable to the department, and approved by the Nationwide Mortgage Licensing System and Registry, during each calendar year after the year in which the license was initially issued. The education hours required under this subsection must include the following:

(1) Three (3) hours of federal law and regulations concerning residential mortgage lending.

(2) Two (2) hours of ethics, including instruction on fraud, consumer protection, and fair lending practices.

(3) Two (2) hours of training concerning lending standards for nontraditional residential mortgage loan products.

(c) In determining the acceptability of academic instruction the department shall give consideration to approval of a licensee's internal academic instruction programs completed by employees.

(d) In determining the acceptability of an education course, the department may require a fee, in an amount prescribed by the department by rule or order, for the department's review of the course.

Sec. 5. A loan broker licensee may not continue engaging in the loan brokerage business unless the licensee's license is renewed annually. A mortgage loan originator licensee or a principal manager licensee may not continue acting as:

(1) a mortgage loan originator; or

(2) a principal manager;

unless the licensee's license is renewed annually. A licensee under this article shall renew its license by filing with the department, at least thirty (30) days before the expiration of the license, an application containing any information the department may require to indicate any material change from the information contained in the applicant's original application or any previous application.

Chapter 3. Administration, Compliance, and Enforcement

Sec. 1. (a) After December 31, 2010, the money in the loan broker regulation account established by IC 23-2-5-7 (before its repeal on January 1, 2011) may be used only for the regulation of loan brokers, mortgage loan originators, and principal managers under this article. The loan broker regulation account shall be administered by the treasurer of state. The money in the loan broker regulation account does not revert to any other account within the state general fund at the end of a state fiscal year.

(b) All fees and funds accruing from the administration of this article shall be accounted for by the department and shall be deposited with the treasurer of state who shall deposit them in the loan broker regulation account in the state general fund.

(c) All expenses incurred in the administration of this article shall be paid from:

(1) appropriations made from the state general fund; and

(2) additional funds available, with the approval of the budget agency, from the loan broker regulation account.

Sec. 2. (a) To be enforceable, every contract for the services of a loan broker shall be in writing and signed by the contracting parties.

(b) At the time a contract for the services of a loan broker is signed, the loan broker shall provide a copy of the signed contract to each of the other parties to the contract.

(c) Every contract for the services of a loan broker must include the following statement:

"No statement or representation by a loan broker is valid or enforceable unless the statement or representation is in writing.".

(d) This section does not apply to a contract that provides for the payment of referral fees by a lender or a third party.

Sec. 3. (a) As used in this section, "appraisal company" means a business entity that:

(1) performs real estate appraisals on a regular basis for compensation through one (1) or more owners, officers, employees, or agents; or

(2) holds itself out to the public as performing real estate appraisals.

(b) As used in this section, "immediate family", with respect to an individual, refers to:

(1) the individual's spouse who resides in the individual's household; and

(2) any dependent child of the individual.

(c) As used in this section, "real estate appraiser" means a person who:

(1) is licensed as a real estate broker under IC 25-34.1 and performs real estate appraisals within the scope of the person's license;

(2) holds a real estate appraiser license or certificate issued under IC 25-34.1-3-8; or

(3) otherwise performs real estate appraisals in Indiana.

(d) A person licensed under this article, or a person required to be licensed under this article, shall not knowingly bribe, coerce, or intimidate another person to corrupt or improperly influence the independent judgment of a real estate appraiser with respect to the value of any real estate offered as security for a residential mortgage loan.

(e) Except as provided in subsection (f):

(1) a person licensed under this article, or a person required to be licensed under this article;

(2) a member of the immediate family of:

(A) a person licensed under this article; or

(B) a person required to be licensed under this article; or

(3) a person described in subdivision (1) or (2) in combination with one (1) or more other persons described in subdivision (1) or (2);

may not own or control a majority interest in an appraisal company.

(f) This subsection applies to a person or combination of persons described in subsection (e) who own or control a majority interest in an appraisal company on June 30, 2007. The prohibition set forth in subsection (e) does not apply to a person or combination of persons described in this subsection, subject to the following:

(1) The interest in the appraisal company owned or controlled by the person or combination of persons described in subsection (e) shall not be increased after June 30, 2007.

(2) The interest of a person licensed under this article, or of a person required to be licensed under this article, shall not be transferred to a member of the person's immediate family.

(3) If the department determines that any person or combination of persons described in subsection (e) has violated this article, the department may order one (1) or more of the persons to divest their interest in the appraisal company. The department may exercise the remedy provided by this subdivision in addition to, or

as a substitute for, any other remedy available to the department under this article.

Sec. 4. (a) Whenever it appears to the department that a person has engaged in or is about to engage in an act or a practice constituting a violation of this article or a rule or an order under this article, the department may investigate and may issue, with a prior hearing if there exists no substantial threat of immediate irreparable harm or without a prior hearing, if there exists a substantial threat of immediate irreparable harm, orders and notices as the department determines to be in the public interest, including cease and desist orders, orders to show cause, and notices. After notice and hearing, the department may enter an order of rescission, restitution, or disgorgement, including interest at the rate of eight percent (8%) per year, directed to a person who has violated this article or a rule or order under this article.

(b) Upon the issuance of an order or notice without a prior hearing by the department under subsection (a), the department shall promptly notify the respondent and, if the subject of the order or notice is a mortgage loan originator licensee or a principal manager licensee, the loan broker licensee for whom the mortgage loan originator or principal manager is employed:

(1) that the order or notice has been issued;

(2) of the reasons the order or notice has been issued; and

(3) that upon the receipt of a written request the matter will be set for a hearing to commence not later than forty-five (45) business days after receipt of the request unless the respondent consents to a later date.

If a hearing is not requested and not ordered by the department, an order remains in effect until it is modified or vacated by the department. If a hearing is requested or ordered, the department, after notice of an opportunity for hearing, may modify or vacate the order or extend it until final determination.

(c) The department may deny an application for an initial or a renewal license, and may suspend or revoke the license of a licensee, if the applicant, the licensee, or an ultimate equitable owner of an applicant for a loan broker license or of a loan broker licensee:

(1) has, within the most recent ten (10) years:

(A) been the subject of an adjudication or a determination by:

(i) a court with jurisdiction; or

(ii) an agency or administrator that regulates securities, commodities, banking, financial services, insurance, real estate, or the real estate appraisal industry;

in Indiana or in any other jurisdiction; and

(B) been found, after notice and opportunity for hearing, to have violated the securities, commodities, banking, financial services, insurance, real estate, or real estate appraisal laws of Indiana or any other jurisdiction;

(2) except as provided in subsection (d)(1) with respect to the loan brokerage business, has:

(A) been denied the right to do business in the securities, commodities, banking, financial services, insurance, real estate, or real estate appraisal industry; or

(B) had the person's authority to do business in the securities, commodities, banking, financial services, insurance, real estate, or real estate appraisal industry revoked or suspended;

by Indiana or by any other state, federal, or foreign governmental agency or self regulatory organization;

(3) is insolvent;

(4) has violated any provision of this article;

(5) has knowingly filed with the department any document or statement that:

(A) contains a false representation of a material fact;

(B) fails to state a material fact; or

(C) contains a representation that becomes false after the filing but during the term of a license as provided in subsection (j);

(6) has been convicted, within ten (10) years before the date of the application, renewal, or review, of any crime, other than a felony, involving fraud or deceit;

(7) if the person is a loan broker licensee or a principal manager, has failed to reasonably supervise the person's mortgage loan originators or employees to ensure their compliance with this article;

(8) is on the most recent tax warrant list supplied to the department by the department of state revenue; or

(9) has engaged in dishonest or unethical practices in the loan brokerage business, as determined by the department.

(d) The department shall deny an application for an initial or a renewal license and shall suspend or revoke the license of a licensee if the applicant, the licensee, or an ultimate equitable owner of an applicant for a loan broker license or of a loan broker licensee:

(1) has had a:

(A) loan broker license issued under this article;

(B) mortgage loan originator license issued under this article;

(C) principal manager license issued under this article; or

(D) license that is:

(i) equivalent to a license described in clause (A), (B), or (C); and

(ii) issued by another jurisdiction;

revoked by the department or the appropriate regulatory agency in another jurisdiction, whichever applies;

(2) has been convicted of or pleaded guilty or nolo contendere to a felony in a domestic, foreign, or military court:

(A) during the seven (7) year period immediately preceding the date of the application or review; or

(B) at any time preceding the date of the application or review if the felony involved an act of fraud or dishonesty, a breach of trust, or money laundering;

(3) fails to maintain the bond required under IC 24-4.2-2-2(d);

(4) fails to demonstrate the financial responsibility, character, and general fitness necessary to:

(A) command the confidence of the community in which the applicant or licensee engages or will engage in the loan brokerage business; and

(B) warrant a determination by the department that the applicant or licensee will operate honestly, fairly, and efficiently within the purposes of this article;

(5) has failed to meet the education requirements set forth in IC 24-4.2-2-4;

(6) has failed to pass the written examination required by IC 24-4.2-2-3; or

(7) fails to:

(A) keep or maintain records in accordance with section 12 of this chapter; or

(B) allow the department or an agent appointed by the department to inspect or examine a loan broker licensee's books and records to determine compliance with section 12 of this chapter.

(e) The department may do either of the following:

(1) Censure:

(A) a licensee;

(B) an officer, a director, or an ultimate equitable

owner of a loan broker licensee; or
(C) any other person;
who violates or causes a violation of this article.
(2) Permanently bar any person described in subdivision (1) from being:
(A) licensed under this article; or
(B) employed by or affiliated with a person licensed under this article;
if the person violates or causes a violation of this article.
(f) The department may not enter a final order:
(1) denying, suspending, or revoking the license of an applicant or a licensee; or
(2) imposing other sanctions;
without prior notice to all interested parties, opportunity for a hearing, and written findings of fact and conclusions of law. However, the department may by summary order deny, suspend, or revoke a license pending final determination of any proceeding under this section or before any proceeding is initiated under this section. Upon the entry of a summary order, the department shall promptly notify all interested parties that the summary order has been entered, of the reasons for the summary order, and that upon receipt by the department of a written request from a party, the matter will be set for hearing to commence not later than forty-five (45) business days after receipt of the request. If no hearing is requested and none is ordered by the department, the order remains in effect until it is modified or vacated by the department. If a hearing is requested or ordered, the department, after notice of the hearing has been given to all interested persons and the hearing has been held, may modify or vacate the order or extend it until final determination.
(g) IC 4-21.5 does not apply to a proceeding under this section.
(h) If a mortgage loan originator licensee or a principal manager licensee seeks to transfer the licensee's license to another loan broker licensee who desires to have the mortgage loan originator licensee or principal manager licensee act as a mortgage loan originator or as a principal manager, whichever applies, the mortgage loan originator licensee or principal manager licensee shall, before the mortgage loan originator licensee or principal manager licensee acts as a mortgage loan originator or as a principal manager for the new employer, submit to the department, on a form prescribed by the department, a license application, as required by IC 24-4.2-2-2.
(i) If the employment of a mortgage loan originator licensee or principal manager licensee is terminated, whether:
(1) voluntarily by the mortgage loan originator licensee or principal manager licensee; or
(2) by the loan broker licensee employing the mortgage loan originator licensee or principal manager licensee;
the loan broker licensee that employed the mortgage loan originator licensee or principal manager licensee shall, not later than five (5) days after the termination, notify the department of the termination and the reasons for the termination.
(j) If a material fact or statement included in an application under this article changes after the application has been submitted, the applicant shall provide written notice to the department of the change. The department may deny, revoke, or refuse to renew a license applied for or held by any person who:
(1) is required to submit a written notice under this subsection and fails to provide the required notice within two (2) business days after the person discovers or should have discovered the change; or
(2) would not qualify for licensure under this article as a result of the change in a material fact or statement.

Sec. 5. (a) The department may do the following:
(1) Adopt rules under IC 4-22-2 to implement this article.
(2) Make investigations and examinations:
(A) in connection with any application for licensure under this article or with any license already granted; or
(B) whenever it appears to the department, upon the basis of a complaint or information, that reasonable grounds exist for the belief that an investigation or examination is necessary or advisable for the more complete protection of the interests of the public.
(3) Charge as costs of investigation or examination all reasonable expenses, including a per diem prorated upon the salary of the employee performing the investigation or examination and actual traveling and hotel expenses. All reasonable expenses are to be paid by the party or parties under investigation or examination if the party has violated this article.
(4) Issue notices and orders, including cease and desist notices and orders, after making an investigation or examination under subdivision (2). The department may also bring an action on behalf of the state to enjoin a person from violating this article. The department shall notify the person that an order or notice has been issued, the reasons for the order or notice, and that a hearing will be set not later than forty-five (45) days after the department receives a written request from the person requesting a hearing.
(5) Sign all orders, official certifications, documents, or papers issued under this article or delegate the authority to sign any of those items to a deputy.
(6) Hold and conduct hearings.
(7) Hear evidence.
(8) Conduct inquiries with or without hearings.
(9) Receive reports of investigators or other officers or employees of the state of Indiana or of any municipal corporation or governmental subdivision within the state.
(10) Administer oaths, or cause them to be administered.
(11) Subpoena witnesses, and compel them to attend and testify.
(12) Compel the production of books, records, and other documents.
(13) Order depositions to be taken of any witness residing within or without the state. The depositions shall be taken in the manner prescribed by law for depositions in civil actions and made returnable to the department.
(14) Order that each witness appearing under the department's order to testify before the department shall receive the fees and mileage allowances provided for witnesses in civil cases.
(15) Provide interpretive opinions or issue determinations that the department will not institute a proceeding or an action under this article against a specified person for engaging in a specified act, practice, or course of business if the determination is consistent with this article. The department may adopt rules to establish fees for individuals requesting an interpretive opinion or a determination under this subdivision. A person may not request an interpretive opinion or a determination concerning an activity that:
(A) occurred before; or
(B) is occurring on;
the date the opinion or determination is requested.
(16) Subject to subsection (f), designate a multistate automated licensing system and repository, established and operated by a third party, to serve as the sole entity

responsible for:

(A) processing applications for:

(i) licenses under this article; and

(ii) renewals of licenses under this article; and

(B) performing other services that the department determines are necessary for the orderly administration of the division's licensing system.

A multistate automated licensing system and repository described in this subdivision may include the Nationwide Mortgage Licensing System and Registry established by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators. The department may take any action necessary to allow the department to participate in a multistate automated licensing system and repository.

(b) If a witness, in any hearing, inquiry, or investigation conducted under this article, refuses to answer any question or produce any item, the department may file a written petition with the circuit or superior court in the county where the hearing, investigation, or inquiry in question is being conducted requesting a hearing on the refusal. The court shall hold a hearing to determine if the witness may refuse to answer the question or produce the item. If the court determines that the witness, based upon the witness's privilege against self-incrimination, may properly refuse to answer or produce an item, the department may make a written request that the court grant use immunity to the witness. Upon written request of the department, the court shall grant use immunity to a witness. The court shall instruct the witness, by written order or in open court, that:

(1) any evidence the witness gives, or evidence derived from that evidence, may not be used in any criminal proceedings against that witness, unless the evidence is volunteered by the witness or is not responsive to a question; and

(2) the witness must answer the questions asked and produce the items requested.

A grant of use immunity does not prohibit evidence that the witness gives in a hearing, investigation, or inquiry from being used in a prosecution for perjury under IC 35-44-2-1. If a witness refuses to give the evidence after the witness has been granted use immunity, the court may find the witness in contempt.

(c) In any prosecution, action, suit, or proceeding based upon or arising out of this article, the department may sign a certificate showing compliance or noncompliance with this article by any person. This certificate shall constitute prima facie evidence of compliance or noncompliance with this article and shall be admissible in evidence in any action at law or in equity to enforce this article.

(d) If:

(1) a person disobeys any lawful:

(A) subpoena issued under this article; or

(B) order or demand requiring the production of any books, accounts, papers, records, documents, or other evidence or information as provided in this article; or

(2) a witness refuses to:

(A) appear when subpoenaed;

(B) testify to any matter about which the witness may be lawfully interrogated; or

(C) take or subscribe to any oath required by this article;

the circuit or superior court of the county in which the hearing, inquiry, or investigation in question is held, if demand is made or if, upon written petition, the production is ordered to be made, or the department or a hearing officer appointed by the department, shall compel compliance with the lawful requirements of the subpoena, order, or demand, compel the production of the necessary or required books, papers, records, documents, and other evidence and information, and compel any witness to attend in any Indiana county and to testify to any matter about which the witness may lawfully be interrogated, and to take or subscribe to any oath required.

(e) If a person fails, refuses, or neglects to comply with a court order under this section, the person shall be punished for contempt of court.

(f) The department's authority to designate a multistate automated licensing system and repository under subsection (a)(16) is subject to the following:

(1) The department may not require any person that is not required to be licensed under this article, or any employee or agent of a person that is not required to be licensed under this article, to:

(A) submit information to the department; or

(B) participate in;

the multistate automated licensing system and repository.

(2) The department may require a person required under this article to submit information to the multistate automated licensing system and repository to pay a processing fee considered reasonable by the department.

Sec. 6. Copies of any statement or document filed with the department, and copies of any records of the department, certified to by the director of the department or any deputy are admissible in any prosecution, action, suit, or proceeding based upon, or arising out of or under, the provisions of this article to the same effect as the original of the statement, document, or record would be if actually produced.

Sec. 7. Upon:

(1) disobedience on the part of any person to any lawful subpoena issued under this article, or to any lawful order or demand requiring the production of any books, accounts, papers, records, documents, or other evidence or information as provided in this article; or

(2) the refusal of any witness to appear when subpoenaed, to testify to any matter regarding which the witness may be lawfully interrogated, or to take or subscribe to any oath required by this article;

it shall be the duty of the circuit or superior court of the county in which the hearing or inquiry or investigation in question is being or is to be held, where demand is made, or where the production is ordered to be made, upon written petition of the department, to compel obedience to the lawful requirements of the subpoena, order, or demand.

Sec. 8. (a) If the department determines, after a hearing, that a person has violated this article, the department may, in addition to all other remedies, impose a civil penalty upon the person in an amount not to exceed ten thousand dollars ($10,000) for each violation.

(b) The department may bring an action in the circuit or superior court of Marion County to enforce payment of any penalty imposed under this section.

Sec. 9. Any person who violates this article or any rule or regulation adopted under this article, in connection with a contract for the services of a loan broker, is liable to any person damaged by the violation, for the amount of the actual damages suffered, interest at the legal rate, and attorney's fees. If a person violates any provision of this article, or any rule or regulation adopted under this article, in connection with a contract for loan brokering services, the contract is void, and the prospective borrower is entitled to receive from the loan broker all sums paid to the loan broker.

Sec. 10. (a) Except as provided in subsection (b), a person who knowingly violates this article commits a Class C felony.

(b) A person who knowingly violates this article commits

a Class B felony if the person damaged by the violation is at least sixty (60) years of age.

(c) A person commits a Class C felony if the person knowingly makes or causes to be made:

(1) in any document filed with or sent to the department; or

(2) in any proceeding, investigation, or examination under this article;

any statement that is, at the time and in the light of the circumstances under which it is made, false or misleading in any material respect.

Sec. 11. (a) If a transaction for which a loan broker has charged any fee is rescinded by any person under the provisions of the Truth-in-Lending Act (15 U.S.C. 1601-1667e) within twenty (20) calendar days after a notice of the rescission has been delivered to the creditor, the loan broker shall return to the person any consideration that has been given to the loan broker other than bona fide third party fees.

(b) For purposes of calculating the time period during which a person may avoid a contract under IC 24-5-10-8 or IC 24-4.5-2-502, a contract with a loan broker shall be considered to be a sale of services that occurs on the date on which the person signs the written contract required by section 2 of this chapter.

Sec. 12. (a) Each loan broker agreement shall be given an account number. Each person licensed as a loan broker or required to be licensed as a loan broker under this article shall keep and maintain the following records or their electronic equivalent:

(1) A file for each borrower or proposed borrower that contains the following:

(A) The name and address of the borrower or any proposed borrower.

(B) A copy of the signed loan broker agreement.

(C) A copy of any other papers or instruments used in connection with the loan broker agreement and signed by the borrower or any proposed borrower.

(D) If a loan was obtained for the borrower, the name and address of the creditor.

(E) If a loan is accepted by the borrower, a copy of the loan agreement.

(F) The amount of the loan broker's fee that the borrower has paid. If there is an unpaid balance, the status of any collection efforts.

(2) All receipts from or for the account of borrowers or any proposed borrowers and all disbursements to or for the account of borrowers or any proposed borrowers, recorded so that the transactions are readily identifiable.

(3) A general ledger that shall be posted at least monthly, and a trial balance sheet and profit and loss statement prepared within thirty (30) days of the department's request for the information.

(4) A sample of:

(A) all advertisements, pamphlets, circulars, letters, articles, or communications published in any newspaper, magazine, or periodical;

(B) scripts of any recording, radio, or television announcement; and

(C) any sales kits or literature;

to be used in solicitation of borrowers.

(5) A report that lists all residential mortgage loans, including pending loans and loans that were not closed, originated by the loan broker. The report required by this subdivision must be searchable by, or organized according to, the borrower's last name and must include the following information for each residential mortgage loan listed:

(A) The name and address of the borrower or potential borrower.

(B) The name of the creditor.

(C) The name of the mortgage loan originator.

(D) The loan amount.

(E) The status of the loan, including the date of closing or denial by the creditor.

(F) The interest rate for the loan.

The report required by this subdivision may be prepared or produced by or through the loan broker's loan origination software or other software used by the loan broker in its loan brokerage business.

(b) The records listed in subsection (a) shall be kept for a period of two (2) years in the office of the loan broker in which the loan was originated and must be separate or readily identifiable from the records of any other business that is conducted in the office of the loan broker. If the office in which any records are required to be kept under this subsection is located outside Indiana, the records must be:

(1) made available at a location that is:

(A) located in Indiana; and

(B) accessible to the securities division; or

(2) maintained electronically and made available to the securities division not later than ten (10) business days after a request by the securities division to inspect or examine the records.

(c) If a breach of the security of any records:

(1) maintained by a loan broker under this section; and

(2) containing the unencrypted, unredacted personal information of one (1) or more borrowers or prospective borrowers;

occurs, the loan broker is subject to the disclosure requirements under IC 24-4.9-3, unless the loan broker is exempt from the disclosure requirements under IC 24-4.9-3-4.

(d) A person who is licensed or required to be licensed under this article may not dispose of the unencrypted, unredacted personal information of one (1) or more borrowers or prospective borrowers without first shredding, incinerating, mutilating, erasing, or otherwise rendering the information illegible or unusable.

(e) As used in this article, "personal information" includes any of the following:

(1) An individual's first and last names or first initial and last name.

(2) Any of the following data elements:

(A) A Social Security number.

(B) A driver's license number.

(C) A state identification card number.

(D) A credit card number.

(E) A financial account number or debit card number in combination with a security code, password, or access code that would permit access to the person's account.

(3) With respect to an individual, any of the following:

(A) Address.

(B) Telephone number.

(C) Information concerning the individual's:

(i) income or other compensation;

(ii) credit history;

(iii) credit score;

(iv) assets;

(v) liabilities; or

(vi) employment history.

(f) As used in this article, personal information is "encrypted" if the personal information:

(1) has been transformed through the use of an algorithmic process into a form in which there is a low probability of assigning meaning without use of a confidential process or key; or

(2) is secured by another method that renders the

personal information unreadable or unusable.

(g) As used in this article, personal information is "redacted" if the personal information has been altered or truncated so that not more than the last four (4) digits of:

(1) a Social Security number;

(2) a driver's license number;

(3) a state identification number; or

(4) an account number;

are accessible as part of the personal information.

Sec. 13. Whenever a person licensed under this article, or a person required to be licensed under this article has possession of funds belonging to others, including money received by or on behalf of a prospective borrower, the person licensed under this article, or required to be licensed under this article, shall:

(1) upon request of the prospective borrower, account for any funds handled for the prospective borrower;

(2) follow any reasonable and lawful instructions from the prospective borrower concerning the prospective borrower's funds; and

(3) return any unspent funds of the prospective borrower to the prospective borrower in a timely manner.

Sec. 14. Each loan broker licensee shall submit, at such times as the department may require, reports of condition to:

(1) the department; and

(2) the Nationwide Mortgage Licensing System and Registry.

A report required by this section shall be in the form and contain the information the department may require.

Sec. 15. (a) A person shall not, in connection with a contract for the services of a loan broker, either directly or indirectly, do any of the following:

(1) Employ any device, scheme, or artifice to defraud.

(2) Make any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of circumstances under which they are made, not misleading.

(3) Engage in any act, practice, or course of business that operates or would operate as a fraud or deceit upon any person.

(4) Collect or solicit any consideration, except a bona fide third party fee, in connection with a residential mortgage loan until the residential mortgage loan has been closed.

(5) Receive any funds if the person knows that the funds were generated as a result of a fraudulent act.

(6) File or cause to be filed with a county recorder any document that the person knows:

(A) contains:

(i) a misstatement; or

(ii) an untrue statement;

of a material fact; or

(B) omits a statement of a material fact that is necessary to make the statements that are made, in the light of circumstances under which they are made, not misleading.

(7) Knowingly release or disclose the unencrypted, unredacted personal information of one (1) or more borrowers or prospective borrowers, unless the personal information is used in an activity authorized by the borrower or prospective borrower under one (1) or more of the following circumstances:

(A) The personal information is:

(i) included on an application form or another form; or

(ii) transmitted as part of an application process or an enrollment process.

(B) The personal information is used to obtain a consumer report (as defined in IC 24-5-24-2) for an applicant for credit.

(C) The personal information is used to establish, amend, or terminate an account, a contract, or a policy, or to confirm the accuracy of the personal information.

However, personal information allowed to be disclosed under this subdivision may not be printed in whole or in part on a postcard or other mailer that does not require an envelope, or in a manner that makes the personal information visible on an envelope or a mailer without the envelope or mailer being opened.

(8) Engage in any reckless or negligent activity allowing the release or disclosure of the unencrypted, unredacted personal information of one (1) or more borrowers or prospective borrowers. An activity described in this subdivision includes an action prohibited by section 12(d) of this chapter.

(9) Knowingly bribe, coerce, or intimidate another person to corrupt or improperly influence the independent judgment of a real estate appraiser with respect to the value of any real estate offered as security for a residential mortgage loan, as prohibited by section 3 of this chapter.

(10) Violate any of the following:

(A) The federal Truth in Lending Act (15 U.S.C. 1601 et seq.).

(B) The federal Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.), as amended.

(C) The federal Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.).

(D) Any other federal law or regulation concerning residential mortgage lending.

(b) A person who commits an act described in subsection (a) is subject to sections 4, 8, 9, and 10 of this chapter.

Sec. 16. (a) A person licensed or required to be licensed as a loan broker under this article shall not employ a person to act as a mortgage loan originator unless the person is licensed as a mortgage loan originator or a principal manager under this article. The license of a mortgage loan originator or a principal manager is not effective during any period in which the mortgage loan originator or principal manager is not employed by a loan broker licensed under this article.

(b) A person licensed or required to be licensed as a loan broker under this article shall not operate any principal or branch office of a loan brokerage business without employing a licensed principal manager at that location.

(c) The licensed principal manager employed at a principal or branch office of a loan brokerage business shall supervise all employees at that location. If a licensed mortgage loan originator works from a location that is not a principal or branch office of a loan brokerage business, the mortgage loan originator shall be supervised by the principal manager employed at the principal or branch office at which the mortgage loan originator's loan files are sent.

(d) An individual that acts solely as a loan processor or underwriter shall not represent to the public through:

(1) advertising; or

(2) other means of communicating or providing information, including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items;

that the individual may or will perform mortgage loan origination activities or otherwise act as a mortgage loan originator.

Sec. 17. (a) An appeal may be taken by:

(1) any person whose application for an initial or a renewal license under this article is granted or denied, from any final order of the department concerning the application;

(2) any applicant for initial or renewed licensure as a principal manager or a mortgage loan originator, from any final order of the department affecting the application;

(3) any person against whom a civil penalty is imposed under section 8 of this chapter, from the final order of the department imposing the civil penalty; or

(4) any person who is named as a respondent, from any final order issued by the department under section 4 or 5 of this chapter;

to the Marion circuit court or to the circuit or superior court of the county where the person taking the appeal resides or maintains a place of business.

(b) Not later than twenty (20) days after the entry of the order, the department shall be served with:

(1) a written notice of the appeal stating the court to which the appeal will be taken and the grounds upon which a reversal of the final order is sought;

(2) a demand in writing from the appellant for a certified transcript of the record and of all papers on file in the department's office affecting or relating to the order; and

(3) a bond in the penal sum of five hundred dollars ($500) to the state of Indiana with sufficient surety to be approved by the department, conditioned upon the faithful prosecution of the appeal to final judgment and the payment of all costs that are adjudged against the appellant.

(c) Not later than ten (10) days after the department is served with the items listed in subsection (b), the department shall make, certify, and deliver to the appellant the transcript, and the appellant shall, not later than five (5) days after the date the appellant receives the transcript, file the transcript and a copy of the notice of appeal with the clerk of the court. The notice of appeal serves as the appellant's complaint. The department may appear and file any motion or pleading and form the issue. The cause shall be entered on the trial calendar for trial de novo and given precedence over all matters pending in the court.

(d) The court shall receive and consider any pertinent oral or written evidence concerning the order of the department from which the appeal is taken. If the order of the department is reversed, the court shall in its mandate specifically direct the department as to the department's further action in the matter. The department is not barred from revoking or altering the order for any proper cause that accrues or is discovered after the order is entered. If the order is affirmed, the appellant is not barred after thirty (30) days from the date the order is affirmed from filing a new application if the application is not otherwise barred or limited. During the pendency of the appeal, the order from which the appeal is taken is not suspended but remains in effect unless otherwise ordered by the court. An appeal may be taken from the judgment of the court on the same terms and conditions as an appeal is taken in civil actions.

Sec. 18. A loan broker agreement that is delivered or required to be delivered by a person licensed or required to be licensed under this article to a borrower or prospective borrower must contain:

(1) the license number of the loan broker; and

(2) the license number of each:

(A) mortgage loan originator; or

(B) principal manager;

who had contact with the file.".

Page 35, delete lines 2 through 42, begin a new paragraph and insert:

"SECTION 23. IC 23-2-5 IS REPEALED [EFFECTIVE JANUARY 1, 2011].

SECTION 24. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "commissioner" refers to the securities commissioner appointed under IC 23-19-6-1.**

(b) As used in this SECTION, "department" refers to the department of financial institutions.

(c) As used in this SECTION, "director" refers to the director of the department of financial institutions appointed under IC 28-11-2-1.

(d) The definitions in IC 23-2-5-3, as amended by this act, apply throughout this SECTION.

(e) The commissioner and the director shall cooperate to facilitate the transfer of responsibility for the licensing and regulation of:

(1) loan brokers;

(2) mortgage loan originators, and

(3) principal managers;

from the commissioner to the department effective January 1, 2011, as required by this act.

(f) The commissioner and the director shall issue joint written guidelines concerning any legislation recommended for introduction during the 2010 session of the general assembly to facilitate the transfer described in subsection (e). The guidelines issued under this subsection shall be submitted to the following not later than November 1, 2009:

(1) The legislative council.

(2) The members of the senate standing committee that has jurisdiction over legislation concerning financial institutions.

(3) The members of the house of representatives standing committee that has jurisdiction over legislation concerning financial institutions.

The report to the legislative council required by this subsection must be in an electronic format under IC 5-14-6.

(g) This SECTION expires July 1, 2011.

SECTION 25. [EFFECTIVE JANUARY 1, 2011] **(a) Notwithstanding the repeal of IC 23-2-5 on January 1, 2011, by this act, the loan broker regulation account created by IC 23-2-5-7, before its repeal by this act, continues in existence after December 31, 2010, and may be used by the department of financial institutions for the regulation of loan brokers, mortgage loan originators, and principal managers under IC 24-4.2, as added by this act.**

(b) This SECTION expires January 1, 2012.

SECTION 26. **An emergency is declared for this act.**".

Delete pages 36 through 37.

Renumber all SECTIONS consecutively.

(Reference is to HB 1646 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BARDON, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1650, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

Page 1, line 3, after "(a)" insert "**As used in this section, "salt" means road salt or another product used to treat snow or ice, or both snow and ice.**

(b)".

Page 1, line 4, delete "road".

Page 1, line 6, delete "(b)" and insert "**(c)**".

Page 1, line 7, delete "road".

Page 1, after line 9, begin a new paragraph and insert:

"**(d) Political subdivisions:**

(1) may participate in the solicitation of purchase of salt

by submitting the estimated volume of use to the department; and

(2) shall be committed to purchasing the minimum fill percentage submitted for solicitation.

(e) The department may adopt rules under IC 4-22-2 for management and control of the process by which political subdivisions may purchase salt.

SECTION 2. IC 9-13-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. "Abandoned vehicle" means the following:

(1) A vehicle located on public property illegally.

(2) A vehicle left on public property without being moved for ~~three (3) days.~~ **twenty-four (24) hours.**

(3) A vehicle located on public property in such a manner as to constitute a hazard or obstruction to the movement of pedestrian or vehicular traffic on a public right-of-way.

(4) A vehicle that has remained on private property without the consent of the owner or person in control of that property for more than forty-eight (48) hours.

(5) A vehicle from which the engine, transmission, or differential has been removed or that is otherwise partially dismantled or inoperable and left on public property.

(6) A vehicle that has been removed by a towing service or public agency upon request of an officer enforcing a statute or an ordinance other than this chapter if the impounded vehicle is not claimed or redeemed by the owner or the owner's agent within twenty (20) days after the vehicle's removal.

(7) A vehicle that is at least three (3) model years old, is mechanically inoperable, and is left on private property continuously in a location visible from public property for more than twenty (20) days. **For purposes of this subdivision, a vehicle covered by a tarpaulin or other plastic, vinyl, rubber, cloth, or textile covering is considered to be visible.**

SECTION 3. IC 9-19-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. Air conditioning equipment shall be manufactured, installed, and maintained with due regard for the safety of the occupants of the vehicle and the public and may not contain a refrigerant that is toxic to individuals or that is flammable, **unless the refrigerant is included in the list published by the United States Environmental Protection Agency as a safe alternative motor vehicle air conditioning substitute for chlorofluorocarbon-12 under 42 U.S.C. 7671k(c).**

SECTION 4. IC 9-19-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. A person who:

(1) violates this chapter; or

(2) violates ~~15 U.S.C. 1988~~ **49 U.S.C. 32709** (as in effect January 1, ~~1987),~~ **1995);**

commits a deceptive act and is subject to a civil penalty of not more than one thousand five hundred dollars ($1,500) for each violation in addition to other remedies available under this chapter and IC 24-5-0.5. The attorney general, acting in the name of the state, has the exclusive right to petition for recovery of such a penalty, and the penalty may be recovered only in an action brought under IC 24-5-0.5-4(c).

SECTION 5. IC 9-20-18-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) A court shall determine the extent of liability of the driver, carrier, shipper, or other party shown to be ~~criminally~~ liable.

(b) It is a defense if a party can show that the party:

(1) could not reasonably have known the actual weight of the load involved; ~~or~~

(2) had no access to or control of the loading of an overweighted load;

(3) reasonably relied upon the representation of another party regarding the validity, scope, or allowable weight of a permit issued to the other party under this article; or

(4) received written confirmation from a carrier that the carrier:

(A) had a valid permit for the load; or

(B) was not required to have a permit for the load.

(c) If a person who is an owner, a driver, a carrier or a shipper specifically or directly orders or assigns a particular shipment to be loaded:

(1) the person shall be considered to have had control of the loading within the meaning of this section; and

(2) a showing of knowledge of the overweighted load affixes ~~criminal~~ liability to the person.

(d) The person who has loaded a shipment has control of the loading within the meaning of this section and a showing of knowledge of the overweighted load affixes ~~criminal~~ liability to the person if the person is self-employed. If the person loading a shipment is not self-employed, then ~~criminal~~ liability affixes to the person's employer jointly and severally with the driver of an overweight vehicle.

(e) If a court determines that the owner of a vehicle or combination of vehicles involved in a case is jointly or severally liable, the owner shall be given ninety (90) days to pay the liability assessed by the court. During the ninety (90) days the court may continue the impounding of the equipment until all fines and costs are paid. If the fines and costs are not paid within the ninety (90) days after the court determination, the court may order the property sold to pay the fines and costs.

(f) The court shall determine the liabilities, rights, and remedies of all of the parties involved.

SECTION 6. IC 9-22-1-11, AS AMENDED BY P.L.131-2008, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. An officer who finds or is notified of a vehicle or parts believed to be abandoned shall attach in a prominent place a notice tag containing the following information:

(1) The date, time, officer's name, public agency, and address and telephone number to contact for information.

(2) That the vehicle or parts are considered abandoned.

(3) That the vehicle or parts will be removed after:

(A) ~~thirty-six (36)~~ **twenty-four (24)** hours, if the vehicle is located on or within the right-of-way of an interstate highway or any highway that is designated as part of the state highway system under IC 8-23-4; or

(B) seventy-two (72) hours, for any other vehicle.

(4) That the person who owns the vehicle will be held responsible for all costs incidental to the removal, storage, and disposal of the vehicle.

(5) That the person who owns the vehicle may avoid costs by removal of the vehicle or parts within:

(A) ~~thirty-six (36)~~ **twenty-four (24)** hours, if the vehicle is located on or within the right-of-way of an interstate highway or any highway that is designated as part of the state highway system under IC 8-23-4; or

(B) seventy-two (72) hours, for any other vehicle.

SECTION 7. IC 9-22-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 15. (a) A person who finds a vehicle believed to be abandoned on private property that the person owns or controls, including rental property, may:

(1) obtain the assistance of an officer under section 18 of this chapter to have the vehicle removed; or

(2) personally arrange for the removal of the vehicle by complying with subsection (b) and section 16 of this chapter.

(b) If the person wishes to personally arrange for the removal of the vehicle, the person shall attach in a prominent place a notice tag containing the following information:

(1) The date, time, name, and address of the person who owns or controls the private property and a telephone number to contact for information.

(2) That the vehicle is considered abandoned.
(3) That the vehicle will be removed after ~~seventy-two (72)~~ **twenty-four (24)** hours.
(4) That the person who owns the vehicle will be held responsible for all costs incidental to the removal, storage, and disposal of the vehicle.
(5) That the person who owns the vehicle may avoid costs by removal of the vehicle or parts within ~~seventy-two (72)~~ **twenty-four (24)** hours.

SECTION 8. IC 9-22-1-16, AS AMENDED BY P.L.191-2007, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 16. (a) If after ~~seventy-two (72)~~ **twenty-four (24)** hours the person who owns a vehicle believed to be abandoned on private property that the person owns or controls, including rental property, has not removed the vehicle from the private property, the person who owns or controls the private property may have the vehicle towed from the private property.

(b) Notwithstanding subsection (a), in an emergency situation a vehicle may be removed immediately. As used in this subsection, "emergency situation" means that the presence of the abandoned vehicle interferes physically with the conduct of normal business operations of the person who owns or controls the private property or poses a threat to the safety or security of persons or property, or both.

SECTION 9. IC 9-22-1-32, AS AMENDED BY P.L.104-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 32. The following are not liable for loss or damage to a vehicle or parts occurring during the removal **or** storage ~~or disposition~~ of a vehicle or parts under this chapter:

(1) A person who owns, leases, or occupies property from which an abandoned vehicle or **its contents or** parts are removed.
(2) A public agency.
(3) A towing service.
(4) An automobile scrapyard.
(5) A storage yard.
(6) An agent of a person or entity listed in subdivisions (1) through (5).

SECTION 10. IC 9-26-1-2, AS AMENDED BY P.L.126-2008, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The driver of a vehicle involved in an accident that does not result in injury or death of a person or the entrapment of a person in a vehicle **and that does not involve the transportation of hazardous materials** but that does result in damage to a vehicle that is driven or attended by a person shall do the following:

(1) Immediately stop the vehicle at the scene of the accident or as close to the accident as possible in a manner that does not obstruct traffic more than is necessary. **If the accident occurs on a federal interstate highway, or on a ramp providing access to or from a federal interstate highway, the driver shall, as soon as safely possible, move the vehicle off the highway or ramp to a location as close to the accident as possible in a manner that does not obstruct traffic more than is necessary.**
(2) Immediately return to and remain at the scene of the accident until the driver does the following **upon request:**
(A) Gives the driver's name and address and the registration number of the vehicle the driver was driving.
(B) Gives the names and addresses of the owner and any occupants of the vehicle the driver was driving, if the names or addresses are different from the name and address provided under clause (A).
(C) Provides proof of financial responsibility (as defined in IC 9-25-2-3) for the motor vehicle.
~~(B) Upon request,~~ **(D)** Exhibits the driver's license of the driver to the driver or occupant of or person attending each vehicle involved in the accident.
(3) If the accident results in total property damage to an apparent extent of at least one thousand dollars ($1,000), forward a written report of the accident to the:
(A) state police department, if the accident occurs before January 1, 2006; or
(B) bureau, if the accident occurs after December 31, 2005;

within ten (10) days after the accident.".

(Reference is to HB 1650 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

AUSTIN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1653, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 6, nays 4.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1691, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 5, nays 3.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred House Bill 1722, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning health and to make an appropriation.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-13.6-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) Except as provided by this chapter and ~~IC 16-33-4-10,~~ **IC 10-17-9.5-19,** if the estimated cost of a public works project is at least seventy-five thousand dollars ($75,000), the division shall award a contract for the project based on competitive bids.

(b) If the estimated cost of a public works project is at least seventy-five thousand dollars ($75,000), the division shall develop contract documents for a public works contract and keep the contract documents on file in its offices so that they may be inspected by contractors and members of the public.

(c) The division shall advertise for bids under section 8 of this chapter. The director shall award a contract under IC 4-13.6-6.

(d) A contractor shall submit under oath a financial statement as a part of the bid. The director may waive filing of the financial statement.

(e) After bids are opened but before a contract is awarded, the director may require a contractor to submit a statement of the contractor's experience, a proposed plan of performing the work, and a listing of the equipment that is available to the contractor for performance of the work.

(f) The statements required by this section shall be submitted on forms approved by the state board of accounts. The forms shall be based, so far as applicable, on standard questionnaires and financial statements for contractors used in investigating the qualifications of contractors on public construction work.

(g) The division shall reject the bid of a contractor if:

(1) the estimated cost of the public works project is one hundred fifty thousand dollars ($150,000) or more and the contractor is not qualified under chapter 4 of this article;

(2) the estimated cost of the public works project is less than one hundred fifty thousand dollars ($150,000) and the director makes a written determination, based upon information provided under subsections (d) and (e), that the contractor is not qualified to perform the public works contract;

(3) the contractor has failed to perform a previous contract with the state satisfactorily and has submitted the bid during a period of suspension imposed by the director (the failure of the contractor to perform a contract satisfactorily must be based upon a written determination by the director);

(4) the contractor has not complied with a rule adopted under this article and the rule specifies that failure to comply with it is a ground for rejection of a bid; or

(5) the contractor has not complied with any requirement under section 2.5 of this chapter.

(h) The division shall keep a record of all bids. The state board of accounts shall approve the form of this record, and the record must include at least the following information:

(1) The name of each contractor.

(2) The amount bid by each contractor.

(3) The name of the contractor making the lowest bid.

(4) The name of the contractor to whom the contract was awarded.

(5) The reason the contract was awarded to a contractor other than the lowest bidder, if applicable.

(6) Purchase order numbers.

SECTION 2. IC 4-15-2-3.8, AS AMENDED BY P.L.1-2007, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3.8. "State service" means public service by:

(1) employees and officers, including the incumbent directors, of the county offices of family and children; and

(2) employees and officers, except members of boards and commissions or individuals hired for or appointed to, after June 30, 1982, positions as appointing authorities, deputies, assistants reporting to appointing authorities, or supervisors of major units within state agencies, irrespective of the title carried by those positions, of the division of disability and rehabilitative services, division of aging, Fort Wayne State Developmental Center, division of mental health and addiction, Larue D. Carter Memorial Hospital, Evansville State Psychiatric Treatment Center for Children, Evansville State Hospital, Logansport State Hospital, Madison State Hospital, Richmond State Hospital, state department of health, Indiana School for the Blind and Visually Impaired, Indiana School for the Deaf, Indiana Veterans' Home, Indiana Soldiers' and Sailors' Children's Home, **and its successor, the Morton Residential Academy,** Silvercrest Children's Development Center, department of correction, Westville Correctional Facility, Plainfield Juvenile Correctional Facility, Putnamville Correctional Facility, Indianapolis Juvenile Correctional Facility, Indiana State Prison, Indiana Women's Prison, Pendleton Correctional Facility, Reception and Diagnostic Center, Rockville Correctional Facility, Youth Rehabilitation Facility, Plainfield Correctional Facility, department of homeland security (excluding a county emergency management organization and any other local emergency management organization created under IC 10-14-3), civil rights commission, criminal justice planning agency, department of workforce development, Indiana historical bureau, Indiana state library, division of family resources, department of child services, Indiana state board of animal health, Federal Surplus Property Warehouse, Indiana education employment relations board, department of labor, Indiana protection and advocacy services commission, commission on public records, Indiana horse racing commission, and state personnel department.

SECTION 3. IC 4-32.2-2-29, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 29. "Veterans' home" means any of the following:

(1) The Indiana Veterans' Home.

(2) The VFW National Home for Children.

(3) The ~~Indiana Soldiers' and Sailors' Children's Home.~~ **Morton Residential Academy.**

SECTION 4. IC 5-10-8-8, AS AMENDED BY P.L.43-2007, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. (a) This section applies only to the state and employees who are not covered by a plan established under section 6 of this chapter.

(b) After June 30, 1986, the state shall provide a group health insurance plan to each retired employee:

(1) whose retirement date is:

(A) after June 29, 1986, for a retired employee who was a member of the field examiners' retirement fund;

(B) after May 31, 1986, for a retired employee who was a member of the Indiana state teachers' retirement fund; or

(C) after June 30, 1986, for a retired employee not covered by clause (A) or (B);

(2) who will have reached fifty-five (55) years of age on or before the employee's retirement date but who will not be eligible on that date for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(3) who:

(A) for an employee who retires before January 1, 2007, will have completed:

(i) twenty (20) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which shall have been completed immediately preceding the retirement; and

(ii) at least fifteen (15) years of participation in the retirement plan of which the employee is a member on or before the employee's retirement date; or

(B) for an employee who retires after December 31, 2006, will have completed fifteen (15) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which shall have been completed immediately preceding the retirement.

(c) The state shall provide a group health insurance program to each retired employee:

(1) who is a retired judge;

(2) whose retirement date is after June 30, 1990;

(3) who is at least sixty-two (62) years of age;

(4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(5) who has at least eight (8) years of service credit as a participant in the Indiana judges' retirement fund, with at least eight (8) years of that service credit completed immediately preceding the judge's retirement.

(d) The state shall provide a group health insurance program to each retired employee:

(1) who is a retired participant under the prosecuting attorneys retirement fund;

(2) whose retirement date is after January 1, 1990;
(3) who is at least sixty-two (62) years of age;
(4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and
(5) who has at least ten (10) years of service credit as a participant in the prosecuting attorneys retirement fund, with at least ten (10) years of that service credit completed immediately preceding the participant's retirement.

(e) The state shall make available a group health insurance program to each former member of the general assembly or surviving spouse of each former member, if the former member:
(1) is no longer a member of the general assembly;
(2) is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the surviving spouse is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and
(3) has at least ten (10) years of service credit as a member in the general assembly.

A former member or surviving spouse of a former member who obtains insurance under this section is responsible for paying both the employer and the employee share of the cost of the coverage.

(f) The group health insurance program required under subsections (b) through (e) and subsection (k) must be equal to that offered active employees. The retired employee may participate in the group health insurance program if the retired employee pays an amount equal to the employer's and the employee's premium for the group health insurance for an active employee and if the retired employee within ninety (90) days after the employee's retirement date files a written request for insurance coverage with the employer. Except as provided in subsection (l), the employer may elect to pay any part of the retired employee's premium with respect to insurance coverage under this chapter.

(g) Except as provided in subsection (j), a retired employee's eligibility to continue insurance under this section ends when the employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq., or when the employer terminates the health insurance program. A retired employee who is eligible for insurance coverage under this section may elect to have the employee's spouse covered under the health insurance program at the time the employee retires. If a retired employee's spouse pays the amount the retired employee would have been required to pay for coverage selected by the spouse, the spouse's subsequent eligibility to continue insurance under this section is not affected by the death of the retired employee. The surviving spouse's eligibility ends on the earliest of the following:
(1) When the spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.
(2) When the employer terminates the health insurance program.
(3) Two (2) years after the date of the employee's death.
(4) The date of the spouse's remarriage.

(h) This subsection does not apply to an employee who is entitled to group insurance coverage under IC 20-28-10-2(b). An employee who is on leave without pay is entitled to participate for ninety (90) days in any health insurance program maintained by the employer for active employees if the employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance.

(i) An employer may provide group health insurance for retired employees or their spouses not covered by this section and may provide group health insurance that contains provisions more favorable to retired employees and their spouses than required by this section. A public employer may provide group health insurance to an employee who is on leave without pay for a longer period than required by subsection (h).

(j) An employer may elect to permit former employees and their spouses, including surviving spouses, to continue to participate in a group health insurance program under this chapter after the former employee (who is otherwise qualified under this chapter to participate in a group insurance program) or spouse has become eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq. An employer who makes an election under this section may require a person who continues coverage under this subsection to participate in a retiree health benefit plan developed under section 8.3 of this chapter.

(k) The state shall provide a group health insurance program to each retired employee:
(1) who was employed as a teacher in a state institution under:
(A) IC 10-17-9.5;
~~(A)~~ **(B)** IC 11-10-5;
~~(B)~~ **(C)** IC 12-24-3;
~~(C)~~ **(D)** IC 16-33-3;
~~(D)~~ **(E)** IC 16-33-4 **(before its repeal);**
~~(E)~~ **(F)** IC 20-21-2-1; or
~~(F)~~ **(G)** IC 20-22-2-1;
(2) who is at least fifty-five (55) years of age on or before the employee's retirement date;
(3) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and
(4) who:
(A) has at least fifteen (15) years of service credit as a participant in the retirement fund of which the employee is a member on or before the employee's retirement date; or
(B) completes at least ten (10) years of service credit as a participant in the retirement fund of which the employee is a member immediately before the employee's retirement.

(l) The president pro tempore of the senate and the speaker of the house of representatives may not elect to pay any part of the premium for insurance coverage under this chapter for a former member of the general assembly or the spouse of a former member of the general assembly whose last day of service as a member of the general assembly is after July 31, 2007.

SECTION 5. IC 5-22-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. This chapter applies only to the following governmental bodies:
(1) A state institution (as defined in IC 12-7-2-184).
(2) A penal facility operated by the department of correction.
(3) ~~An institution operated by the state department of health~~ **The Morton Residential Academy** under ~~IC 16-19-6.~~ **IC 10-17-9.5.**
(4) A political subdivision.

SECTION 6. IC 10-17-1.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 1.1. Morton Residential Academy Board

Sec. 1. Except as otherwise provided, this chapter applies after June 30, 2009.

Sec. 2. As used in this chapter, "board" refers to the Morton Residential Academy board established by section 3 of this chapter.

Sec. 3. (a) The Morton Residential Academy board is established.

(b) The board consists of nine (9) voting members and two (2) nonvoting members. The voting members consist of the following:
(1) The director of the Indiana department of veterans' affairs established by IC 10-17-1-2 or the director's designee.
(2) The commissioner of the Indiana department of administration established by IC 4-13-1-2 or the commissioner's designee.
(3) The state health commissioner of the state

department of health established by IC 16-19-1-1 or the state health commissioner's designee.

(4) The state superintendent of public instruction or the state superintendent's designee.

(5) The adjutant general or the adjutant general's designee.

(6) Three (3) members appointed by the governor, of whom:

(A) one (1) must be a licensed physician;

(B) two (2) must have received an honorable discharge from the armed forces of the United States or national guard; and

(C) not more than two (2) may be members of the same political party.

(7) One (1) member who previously was a resident of the Indiana Soldiers' and Sailors' Children's Home or its successor, the Morton Residential Academy, appointed by the governor.

(c) The two (2) nonvoting members serve in an advisory capacity. The nonvoting members consist of the following:

(1) The member of the house of representatives of the general assembly for the house district (as defined in IC 2-1-9-4) in which the Morton Residential Academy is located.

(2) The member of the senate of the general assembly for the senate district (as defined in IC 2-1-9-6) in which the Morton Residential Academy is located.

(d) This subsection applies to a voting member of the board appointed by the governor under subsection (b)(6) or (b)(7). The voting member serves at the pleasure of the governor. A vacancy in the membership of the board shall be filled by the governor within sixty (60) days after the vacancy is created. If a voting member is absent from more than seven (7) regular meetings of the board described in subsection (g) within a calendar year, the governor shall remove that voting member from the board and appoint another individual within sixty (60) days after the date the governor removes the voting member from the board.

(e) The governor shall appoint one (1) of the voting members of the board appointed under subsection (b)(6) and (b)(7) as chair of the board.

(f) The voting board member described in subsection (b)(1) shall act as secretary for the board.

(g) The board shall hold at least one (1) regular meeting in each month of the calendar year. The board may hold special meetings considered necessary and expedient by the:

(1) chair of the board; or

(2) superintendent of the Morton Residential Academy.

(h) Five (5) voting board members constitute a quorum. The affirmative votes of at least six (6) voting members of the board are necessary for the board to take official action other than to adjourn or to meet to hear reports or testimony.

(i) The board must hold at least two (2) regular meetings described in subsection (g) each calendar year at the Morton Residential Academy.

(j) Each member of the board who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(k) Each member of the board who is a state employee but is not a member of the general assembly is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(l) Each member of the board who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council.

Sec. 4. The board shall do the following:

(1) Administer the Morton Residential Academy.

(2) Develop and continuously update policies for the Morton Residential Academy.

(3) Recommend to the governor legislation that is needed to implement the policies developed by the board.

(4) Adopt rules under IC 4-22-2 to implement this chapter.

(5) Review, revise, adopt, and submit to the budget agency budget proposals for the Morton Residential Academy.

(6) Carry out the responsibilities of the board under IC 10-17-9 and IC 10-17-9.5.

(7) Do any and all acts necessary, proper, or convenient to carry out this chapter.

Sec. 5. (a) Notwithstanding any provision in this chapter, IC 10-17-9, and IC 10-17-9.5, the board, before December 1, 2009, with input from the state department of health, shall adopt a transition plan for the transfer of the management and oversight of the Morton Residential Academy from the state department of health to the board.

(b) The board shall certify to the governor that the board has adopted a transition plan for the Morton Residential Academy. The board shall submit the adopted transition plan to the governor, the state health commissioner, and the general assembly. The board shall send the adopted transition plan to the general assembly in an electronic format under IC 5-14-6.

(c) For the period beginning July 1, 2009, until the date the board certifies the transition plan to the governor and the state department of health, the state health commissioner shall administer the Morton Residential Academy. The state department of health may exercise any of the powers of the board subject to section 6 in this chapter. Administration of the Morton Residential Academy by the state department of health must be consistent with an orderly transition of administration to the board.

(d) After the governor and the state health commissioner receive the certification required in subsection (b), all the following apply:

(1) The state health commissioner's authority over the Morton Residential Academy ends.

(2) All appropriations made to the Morton Residential Academy are transferred to the board. The auditor of state shall take all necessary action to transfer the balance of appropriations and other funds belonging to the Morton Residential Academy to the board.

(3) All obligations of the state department of health relating to the Morton Residential Academy are transferred to the board.

(4) All rules adopted under IC 4-22-2 relating to the Morton Residential Academy are considered to be the rules of the board until the board amends or repeals the rules.

(e) The board may send copies of the certifications described in subsection (b) to other state agencies the board considers necessary to permit the Morton Residential Academy to operate under this article.

(f) This section expires July 1, 2011.

Sec. 6. (a) Except as provided in subsection (b) and section 5 of this chapter, the board has complete policy and

administrative control and responsibility for the Morton Residential Academy.

(b) Notwithstanding any other statute or policy, the board or the superintendent of the Morton Residential Academy may not do the following unless specifically authorized by a statute enacted by the general assembly:

(1) Terminate, in whole or in part, at either:

(A) the Indiana Soldiers' and Sailors' Children's Home before July 1, 2009; or

(B) the Morton Residential Academy beginning July 1, 2009;

services that were provided on January 1, 2009, by the Indiana Soldiers' and Sailors' Children's Home to Indiana children or other operations that existed at the Indiana Soldiers' and Sailors' Children's Home on January 1, 2009.

(2) Reduce the staffing levels and classifications below those in effect at the Indiana Soldiers' and Sailors' Children's Home on January 1, 2009, at either:

(A) the Indiana Soldiers' and Sailors' Children's Home before July 1, 2009; or

(B) the Morton Residential Academy beginning July 1, 2009.

(3) Terminate the employment of an employee of:

(A) the Indiana Soldier's and Sailors' Children's Home; or

(B) the Morton Residential Academy;

who was an employee of the Indiana Soldier's and Sailors' Children's Home after December 31, 2008, except in accordance with IC 4-15-2.

(c) The board or the superintendent of the Morton Residential Academy shall fill any vacancy created by a termination described in subsection (b)(3) so that the staffing levels at the facility are not reduced below the staffing levels in effect on January 1, 2009.

Sec. 7. The Indiana department of veterans' affairs shall provide staff and administrative support for the board.

SECTION 7. IC 10-17-9.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 9.5. Morton Residential Academy

Sec. 1. As used in this chapter, "academy" refers to the:

(1) school; and

(2) vocational school established under section 19 of this chapter;

operated at the home.

Sec. 2. As used in this chapter, "armed forces of the United States" means the forces and components of the following:

(1) The United States Army.

(2) The United States Navy.

(3) The United States Marine Corps.

(4) The United States Air Force.

(5) The United States Coast Guard.

Sec. 3. As used in this chapter, "board" refers to the Morton Residential Academy board established by IC 10-17-1.1-3.

Sec. 4. As used in this chapter, "home" refers to the Morton Residential Academy established by section 9 of this chapter. The home is composed of the:

(1) academy; and

(2) residence.

Sec. 5. As used in this chapter, "member of the armed forces" means the following:

(1) An individual who is on active duty in the armed forces of the United States or national guard.

(2) An individual who previously has served on active duty in the armed forces of the United States or national guard and has received an honorable or general discharge.

Sec. 6. As used in this chapter, "national guard" means:

(1) the Indiana Army National Guard; or

(2) the Indiana Air National Guard.

Sec. 7. As used in this chapter, "residence" refers to facilities, services, or programs offered by the home not related to academics or services provided by the academy.

Sec. 8. As used in this chapter, "superintendent" refers to the superintendent of the Morton Residential Academy appointed under section 12 of this chapter.

Sec. 9. (a) The Morton Residential Academy is established as a state educational academy and residence for Indiana children. The home shall:

(1) except as provided in section 19 of this chapter, implement not later than January 1, 2010, an age appropriate military structure in the academy for grades 7 through 12; and

(2) offer programs to promote:

(A) physical;

(B) intellectual;

(C) moral;

(D) character;

(E) team; and

(F) leadership;

development.

(b) The residence must have a structured and nurturing environment.

(c) The academy must operate on a year-round schedule.

(d) In placing children in the home, the board shall give preference to the admission of children of members of the armed forces or national guard and children of families of veterans under section 20 of this chapter who meet the admission criteria.

(e) A child who requires residential placement in a secure facility (as defined in IC 31-9-2-114), a juvenile detention facility, or a detention center for the safety of the child or others may not be placed at the home.

(f) The mission of the home is to provide a residential educational facility with a safe and nurturing environment for children:

(1) of members of the armed forces or national guard who are incapable of caring for the child as a result of a war or large natural or manmade disaster;

(2) at risk of being neglected or abused; or

(3) as an alternative to foster care.

Sec. 10. IC 4-13-2 applies to the home.

Sec. 11. (a) The board must routinely evaluate the home and establish an optimal population of children who may reside at the home. The optimal population must be based on:

(1) federal and state law;

(2) goals established by the board;

(3) the service mission of the home;

(4) efficiency; and

(5) possible contingencies that may cause the population of children at the home to increase as a result of a:

(A) war or national conflict; or

(B) large natural or manmade disaster.

The optimal population may not be less than five hundred (500) children.

(b) The board must establish goals to recruit and maintain the optimal population of children determined under subsection (a). The board must routinely work to increase the optimal population.

(c) Beginning in 2010, the board must submit a report not later than December 1 each year to the legislative council and the governor reporting the population of children who reside at the home. The report to the legislative council shall be in an electronic format as provided under IC 5-14-6. If the population of children at the home is less than:

(1) on September 30, 2010, two hundred (200);

(2) on September 30, 2011, three hundred (300);

(3) on September 30, 2012, four hundred (400); and
(4) on September 30, 2013, and thereafter, five hundred (500);
the general assembly may determine that the operation of the home is not feasible and may introduce legislation to close the home.

(d) The goals of the home include the following:
(1) Offering a premier education by utilizing a military style academy.
(2) Providing a caring and nurturing residential environment.
(3) Promoting the availability of the home to children of Indiana residents serving in the armed forces of the United States or national guard and children of Indiana veterans.
(4) Promoting the availability of the home to political subdivisions, court systems, and the general public.
(5) Preserving the home's original building's historic nature while maintaining the original building's functional capacity.
(6) Making the home financially self-sustaining as soon as possible and to remain financially self-sustaining for the long term.
(7) Preparing for possible surges in the population of children residing at the home resulting from a:
(A) war or national conflict; or
(B) large natural or manmade disaster.

Sec. 12. (a) The board shall appoint the superintendent of the home.

(b) This subsection applies to a superintendent appointed after June 30, 2009. The superintendent must meet all the following qualifications:
(1) Have a master's degree or a higher degree from an accredited college or university.
(2) Have experience working with children.
(3) Have other qualifications as required by the board.

(c) When at least two (2) candidates meet the conditions listed in subsection (b), the board shall give preference to individuals who have been honorably discharged after service in the armed forces of the United States or national guard in appointing a candidate to the position of superintendent of the home.

(d) The superintendent may be removed only by the board.

(e) Except as provided in IC 10-17-1.1-4, the superintendent is responsible to the board.

(f) The board shall determine the superintendent's salary, subject to the approval of the governor and the budget agency.

Sec. 13. (a) The board annually shall review the salary schedules of the largest school corporation of the county in which the home is located to determine the salary schedule of that school corporation.

(b) The board shall, following the annual review required by subsection (a), prescribe, subject to approval by the state personnel department and the budget agency, a salary schedule for the academy, using a daily rate of pay for each teacher that is commensurate with the salary schedules of the school corporation that has the greatest current ADM (as defined in IC 20-43-1-10) in the county in which the home is located.

(c) The board shall prescribe the terms of the annual contract awarded to licensed teachers qualifying for payment under this schedule.

(d) The board shall advise the budget agency and the governor of the board's action under this section. Hours of work for all teachers shall be set in accordance with IC 4-15-2.

Sec. 14. (a) The superintendent shall furnish an individual public bond in an amount determined by the board, payable to the state and conditioned upon the faithful performance of the superintendent's duties.

(b) A bond required under this section is subject to the approval of the insurance commissioner and shall be filed in the office of the secretary of state.

Sec. 15. (a) The superintendent, subject to the approval of the board, has the following responsibilities:
(1) Charge and management of the home.
(2) Direction of the care, safety, education, and well-being of the children of the home.
(3) Evaluation and improvement of the home staff and support services.
(4) Implementation and administration of the policies, mission, and goals of the home as established by the board.
(5) Implementation of budgetary matters as recommended by the board.
(6) Advocating on behalf of the home under guidelines established by the board.
(7) Executing contracts on behalf of the home.
(8) Seeking federal grants or assistance.
(9) Promoting the home to political subdivisions, court systems, and the general public.
(10) Causing to be provided the proper educational materials and facilities in the home.

(b) The superintendent is the chief appointing authority for all teachers and other employees necessary to properly conduct and operate the home.

(c) The superintendent, with approval of the board, may enter into contracts or agreements with other state agencies, school corporations, or other entities to use the:
(1) facilities or services of the home; and
(2) home for summer camps, seminars, programs, or other educational events.

Sec. 16. (a) The superintendent, with the approval of the board, shall appoint a commandant to act as principal and the chief administrative officer for the academy.

(b) The commandant must meet all the following qualifications:
(1) Be a teacher licensed by the state.
(2) Have experience working with children.
(3) Have other qualifications as required by the board.

(c) When at least two (2) candidates meet the conditions listed in subsection (b), the superintendent shall give preference to individuals who have been honorably discharged after service in the armed forces of the United States or national guard in appointing a candidate to the position of commandant of the home.

(d) The board shall determine the commandant's salary subject to the approval of the governor and the budget agency.

Sec. 17. (a) The superintendent, with the approval of the board, shall appoint a residence director to act as the chief administrative officer for the residence. The residence director is responsible for the children's:
(1) care;
(2) physical fitness;
(3) home upkeep and chores;
(4) character development;
(5) emotional support and counseling;
(6) medical support;
(7) living and dining facilities; and
(8) activities and schedules;
that are not related to academics. The residence director must coordinate the children's activities with the schedule and activities established by the commandant of the academy.

(b) The residence director of the home must meet all the following qualifications:
(1) Must be:

(A) a teacher licensed by the state or have at least a baccalaureate degree from an accredited college or university in a field related to education or child growth and development;
(B) an individual that has at least a master's degree from an accredited college or university in a field related to social work; or
(C) a licensed psychologist under IC 25-33-1.
(2) Have other qualifications as required by the board.

(c) When at least two (2) candidates meet the conditions listed in subsection (a), the superintendent shall give preference to individuals who have been honorably discharged after service in the armed forces of the United States or national guard in appointing a candidate to the position of residence director of the home.

(d) The board shall determine the residence director's salary subject to the approval of the governor and the budget agency.

Sec. 18. (a) The academy located at the home must be accredited as a public school. The superintendent may arrange in a special situation, as approved by the board, for the education of a child in a school in a county school corporation reorganized under IC 20-23 near the home.

(b) A person who teaches in a department of the academy must be qualified and properly licensed by the Indiana state board of education.

(c) The academy must apply to the proper military department as provided in 10 U.S.C. 2031 to offer:
(1) an Army; and
(2) a Navy with a Marine Corps component;
junior reserve officers' training corp unit.

Sec. 19. (a) The superintendent shall establish and maintain a vocational school on the grounds of the home and maintain suitable facilities in which vocational trades and arts are taught.

(b) The vocational school may not use a military structure.

(c) The superintendent may enter into contracts, in a manner prescribed by the board, with other school corporations or entities for the use of the vocational school.

(d) The superintendent may use donated money or state money without limitation to finance vocational construction projects that are:
(1) authorized by the budget agency; and
(2) in accordance with designs approved by the public works division of the Indiana department of administration.

Sec. 20. (a) After an adequate investigation, as determined by the superintendent or the superintendent's designee, including consideration of appropriateness of placement, the superintendent shall receive a child as a resident in the home if the child meets the requirements in subsection (b).

(b) Before a child may be accepted for residence in the home under the section, the child must meet the following requirements:
(1) The parent or parents of the child must be Indiana residents immediately before application, or the child must be physically present in Indiana immediately before application.
(2) The child must be at least three (3) years of age but less than eighteen (18) years of age.
(3) The child must be in need of residential care and education.

(c) Preference for acceptance for residence in the home to a child of a member of the armed forces of the United States or national guard shall be given in the following order:
(1) At least one (1) parent is currently deployed.
(2) At least one (1) parent has been killed in the line of duty while serving in the armed forces of the United States or national guard.
(3) At least one (1) parent is physically or mentally incapable of caring for the child because of the parent's service or direct participation in an authorized campaign or national emergency while serving in the armed forces of the United States or national guard.
(4) At least one (1) parent is physically or mentally incapable of caring for the child because of the parent's service in the armed forces of the United States or national guard.
(5) At least one (1) parent is deceased.
(6) At least one (1) parent is physically or mentally incapable of caring for the child.
(7) At least one (1) parent is absent.
(8) The child is considered at risk for:
(A) being abused or neglected;
(B) becoming homeless; or
(C) becoming a child in need of services or a delinquent child.
(9) The child is a child of a member of the armed forces of the United States or national guard.

(d) If the applications of all children eligible for residence under subsection (c) have been considered and if space is still available, the superintendent may accept for residence children referred:
(1) by the department of child services established by IC 31-25-1-1;
(2) by the division of special education established by IC 20-35-2-1;
(3) by the courts; or
(4) by any other agency of a political subdivision;
subject to an adequate investigation as determined by the superintendent or the superintendent's designee, including a consideration of appropriateness of placement, and the approval of the board.

(e) If the applications of all children listed in subsections (c) through (d) have been considered and space is still available, the superintendent may accept for residence in the home any other children who are in need of residential care and education and meet the requirements in subsection (b).

Sec. 21. (a) An application for admission to the home may be made by a responsible parent, a guardian, a representative of the court, or the department of child services.

(b) If an application is submitted by a person other than a responsible parent or guardian, the superintendent shall cooperate with the department of child services to ensure that an appropriate case study is made upon application and continued throughout the period the child resides at the home.

Sec. 22. (a) The superintendent is responsible for the care, control, and training of children admitted to and living in the home from the day a child is admitted to the home until the child:
(1) is eighteen (18) years of age;
(2) graduates from the academy if the student is at least eighteen (18) years of age but less than twenty (20) years of age; or
(3) is discharged from the home.

(b) The superintendent shall make certain in the case of every child in the home that:
(1) there is a responsible parent or court appointed guardian;
(2) there is a responsible relative; or
(3) if a responsible parent, guardian, or relative is not available, the child is a ward of the department of child services from which there is a representative;
who is regularly and frequently concerned with the welfare of the child.

(c) If:
(1) the parent or parents of a child admitted to the home have been deprived of the custody and control of

a child by order of the court; and

(2) custody has been given by the court to the department of child services;

the wardship shall be retained by the department of child services.

Sec. 23. (a) A parent, a guardian, a relative, or the department of child services applying for the admission of a child to the home shall, in securing admittance of the child, place the child in the home for the length of time determined to be in the best interests of the child.

(b) A child shall be returned at any time to the:

(1) parent or parents;

(2) guardian;

(3) relative; or

(4) department of child services;

that placed the child in the home if removal of the child from the home is applied for by written application. The superintendent of the home may require not more than thirty (30) days notice when a discharge is requested.

(c) If the superintendent finds that a child does not adjust to institutional living or is not educable, the superintendent:

(1) may:

(A) with the approval of the board; and

(B) upon proper notification;

discharge the child to the applicant placing the child in the home; and

(2) shall cooperate with the department of child services for further disposition of the case as necessary.

Sec. 24. A child admitted to the home may not be permanently removed from the home and placed elsewhere without the express approval of the:

(1) parent or parents who;

(2) guardian who;

(3) relative who; or

(4) department of child services that;

applied for admission of the child to the home.

Sec. 25. A parent, a guardian, a relative, a representative of the department of child services, or other person approved by the superintendent may visit a child residing in the home at times or places the superintendent prescribes.

Sec. 26. (a) This section does not apply to children admitted under section 20(c) of this chapter. Except as otherwise provided, each child, the estate of the child, the parent or parents of the child, or the guardian of the child, individually or collectively, are liable for the payment of the residence costs of the child in the home of up to one hundred percent (100%) of the student daily rate. The residence cost shall be referred to as residence charges.

(b) The costs under subsection (a) shall be computed annually by dividing the total annual cost of operation of the residence by the total student days each year. The cost of operation shall exclude the following:

(1) Costs associated with the academy and educational programs.

(2) Costs for construction and equipment.

(c) A residence charge may not be levied under this subsection against any of the following:

(1) A county or any person or office, to be derived from county tax sources.

(2) A child orphaned by the death of the child's natural parents.

(d) The superintendent may enter into an agreement with the department of child services or any other agency of a political subdivision for the payment of all or a part of a residence charge by the department of child services or other agency for a child admitted into the home at the request of the department of child services or other agency.

(e) The billing and collection of the residence charges as provided for in subsection (a) shall be made by the superintendent based on the per student daily rate for the preceding fiscal year. All money collected shall be deposited in a fund to be known as the Morton Residential Academy residence fund. The fund shall be used by the board:

(1) for the preventive maintenance, repair, and rehabilitation of buildings of the home that are used for housing, food service, or education of the children of the home; and

(2) to meet the goals established by the board under section 11 of this chapter.

(f) The superintendent may, with the approval of the board, agree to accept payment at a lesser rate than that prescribed under subsection (a). The superintendent, in determining whether to accept the lesser amount, shall take into consideration the amount of money that is necessary to maintain or support any member of the family of the child. All agreements to accept a lesser amount are subject to cancellation or modification at any time by the superintendent with the approval of the board.

(g) A person who has been issued a statement of amounts due as residence charges under this section may petition the superintendent for a release from or modification of the statement, and the superintendent shall provide for hearings to be held on the petition. The superintendent, with the approval of the board and after the hearing, may cancel or modify the former statement and at any time for due cause may increase the amounts due for residence charges to an amount not to exceed the maximum cost as determined under subsection (a).

(h) The superintendent may arrange for the establishment of a graduation or discharge trust account for a child by arranging to accept a lesser rate of residence charge. The trust fund must be of sufficient size to provide for immediate expenses upon the child's graduation or discharge.

(i) The superintendent may make agreements with instrumentalities of the federal government for the application of any monetary awards to be applied toward the residence charges in a manner that provides a sufficient amount of the periodic award to be deposited in the child's trust account to meet the immediate personal needs of the child and to provide a suitable graduation or discharge allowance. The amount applied toward the settlement of residence charges may not exceed the amount specified under subsection (a).

(j) The superintendent may do the following:

(1) Investigate, either with the superintendent's own staff or on a contractual or other basis, the financial condition of each person liable for the payment of the residence costs under this chapter.

(2) Make determinations of the ability of:

(A) the estate of a child;

(B) the legal guardian of a child; or

(C) each of the responsible parents of a child;

to pay residence charges.

(3) Adopt a standard as a basis of judgment of ability to pay that shall be recomputed periodically to do the following:

(A) Reflect changes in the cost of living and other pertinent factors.

(B) Provide for unusual and exceptional circumstances in the application of the standard.

(4) Issue to any person liable under this chapter statements of amounts due as residence charges, requiring the person to pay monthly, quarterly, or otherwise as may be arranged an amount not exceeding the maximum cost as determined under this chapter.

Sec. 27. (a) In the case of a child who is:

(1) adjudicated to be a delinquent child or child in need of services by a juvenile court; and

(2) placed by or with the consent of the department of child services in the home;

the department of child services shall reimburse the cost of services provided to the child, including related transportation costs, and any cost incurred by a county where the home is located to transport or detain the child before the child is adjudicated to be a delinquent child or child in need of services.

(b) The department of child services may require the parent or guardian of the child, other than a parent, guardian, or custodian associated with the home, to reimburse the department of child services for an amount paid under this section.

(c) A child who is admitted to the home does not become a resident of the county where the home is located.

(d) When an unemancipated child is released from the home, the department of child services is responsible for transporting the child to the parent or guardian of the child. If an unemancipated child released from the home does not have a parent or guardian, the department of child services shall obtain custody of the child.

Sec. 28. (a) The attorney general shall, upon notification by the superintendent through the board, bring suit in the name of the state of Indiana on behalf of the superintendent against the estate of a person failing to make payments as required by this chapter.

(b) If a judgment is obtained under this section, the judgment constitutes a lien against that part of the estate of a person as described in the complaint.

(c) The attorney general may bring suit against the parent or parents or legal guardian of a child for failure to comply with the residence agreement established or for failure to make an agreement under this chapter. Suit may be brought for the amount due the state for the residence charges of the child. The court may order the payment of amounts due for residence charges for a period as the circumstances require. The order may be entered against any or all of the defendants and may be based upon the proportionate ability of each defendant to contribute to the payment of amounts representing residence charges. Orders for the payment of money may be enforced by attachment as in contempt proceedings against the persons of the defendants, and in addition as other judgments at law, and costs may be adjudged against and apportioned among the defendants.

Sec. 29. (a) The superintendent shall do the following:

(1) Cause the grounds of the home to be:

(A) kept in proper order; and

(B) ornamented with trees, shrubs, and flowers.

(2) Provide and maintain conservatories or greenhouses.

(b) The superintendent:

(1) may have any suitable land connected with the home cultivated for the use and benefit of the home; and

(2) shall have the children in the home assist in the work.

Sec. 30. The superintendent shall have the children in the home assist in the following:

(1) Housekeeping services of the home.

(2) Manufacture and repair of the clothing of children.

(3) The provision of services necessary for the home.

Sec. 31. In prescribing labor, service, and study for the children of the home, the superintendent shall consider the proper education and training of the children.

Sec. 32. The superintendent may, subject to IC 4-24-3-2, receive for the use of the home:

(1) gifts;

(2) legacies;

(3) devises; and

(4) conveyances of real and personal property;

that are made, given, or granted to or for the home or in the name of the home.

Sec. 33. (a) The home shall post a notice that a resident, the legal representative of a resident, or another individual designated by a resident may request from the individual in charge of each shift information that designates the names of personnel or direct care staff on duty by job classification for the:

(1) wing of;

(2) unit of; or

(3) other area as routinely designated by;

the home.

(b) The notice required under subsection (a) must meet the following conditions:

(1) Be posted in a conspicuous place that is readily accessible to residents and the public.

(2) Be written in at least 24 point type on a poster that is at least eleven (11) inches wide and seventeen (17) inches long.

(3) Contain:

(A) the business telephone number of the superintendent; and

(B) a designated telephone number for filing complaints with the board.

(4) State that if a resident, the legal representative of a resident, or another individual designated by a resident is unable to obtain the information described in subsection (a) from the individual in charge of each shift, the resident, the legal representative of the resident, or another individual designated by the resident may do any of the following:

(A) Contact the superintendent.

(B) File a complaint with the board by using the board's telephone number.

(c) The board may adopt rules under IC 4-22-2 to carry out this section.

Sec. 34. (a) The board shall produce a statistical report semiannually for the home. The statistical report must set forth the following information:

(1) The total number of hours worked in the home by each classification of personnel for which the superintendent maintains data.

(2) The resident census of the home for which the superintendent maintains data.

(b) The home shall:

(1) make available in a place that is readily accessible to residents and the public a copy of the compilation of statistical reports provided under this section; and

(2) post a notice that a copy of the compilation of statistical reports may be requested from the individual in charge of each shift.

(c) The notice required under subsection (b)(2) must meet the following conditions:

(1) Be posted in a conspicuous place that is readily accessible to residents and the public.

(2) Be written in at least 24 point type on a poster that is at least eleven (11) inches wide and seventeen (17) inches long.

(3) Contain:

(A) the business telephone number of the superintendent; and

(B) a telephone number for filing complaints with the board.

(4) State that if a resident, the legal representative of a resident, or another individual designated by a resident is unable to obtain the compilation of statistical reports from the individual in charge of each shift, the resident, the legal representative of the resident, or other individual designated by the resident may do any of the following:

(A) Contact the superintendent.

(B) File a complaint with the board by using the board's designated telephone number.

(d) The board may adopt rules under IC 4-22-2 to carry out this section.

SECTION 8. IC 16-18-2-62 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 62. ~~(a) "Commission", for purposes of IC 16-19-6, refers to the commission for special institutions.~~

~~(b)~~ **(a)** "Commission", for purposes of IC 16-31, refers to the Indiana emergency medical services commission.

~~(c)~~ **(b)** "Commission", for purposes of IC 16-46-11.1, has the meaning set forth in IC 16-46-11.1-1.

SECTION 9. IC 16-19-6-5, AS AMENDED BY P.L.21-2008, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. **(a) Except as provided in subsection (b),** the state health commissioner has complete administrative control and responsibility for the Indiana Soldiers' and Sailors' Children's Home.

(b) Notwithstanding any other statute or policy, the state health commissioner or the superintendent of the home may not do the following after December 31, 2008, unless specifically authorized by a statute enacted by the general assembly:

(1) Terminate, in whole or in part, services provided on January 1, 2009, by the home to Indiana children or other operations that existed at the home on January 1, 2009.

(2) Reduce the staffing levels and classifications below those in effect at the home on January 1, 2009.

(3) Terminate the employment of an employee of the Indiana Soldiers' and Sailors' Children's Home who was an employee after December 31, 2008, except in accordance with IC 4-15-2.

The state department or the superintendent of the home shall fill any vacancy created by a termination described in subdivision (3) so that the staffing levels at the facility are not reduced below the staffing levels in effect on January 1, 2009.

SECTION 10. IC 20-26-11-10, AS AMENDED BY P.L.2-2007, SECTION 212, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. (a) A student who is the child of a state employee who resides on state owned property, resides on state owned property, or is the child of a full-time employee of a state educational institution, who resides on property owned or operated by the state educational institution and used for educational, research, or public service programs is considered a transferred student if:

(1) the student attends a public school in the school corporation located nearest to the student's residence within the county in which all or a part of either the state owned property, or the property owned or operated by the state supported postsecondary institution, is located; or

(2) the state owned property is the ~~Soldiers' and Sailors' Children's Home~~ **Morton Residential Academy** and the student attends a public school in the county in which the home is located or in an adjacent county.

Transfer tuition for a student transferred under this subsection shall be paid by the state. However, this subsection does not apply to children of state employees residing in student housing on property owned by any state educational institution.

(b) A foreign student visiting in Indiana under any student exchange program approved by the state board is considered a resident student with legal settlement in the school corporation where the foreign exchange student resides. The student may attend a school in the school corporation in which the family with whom the student is living resides. A school corporation that receives a foreign student may not be paid any transfer tuition. The school corporation shall include the foreign student in computations to determine the amount of state aid that it is entitled to receive.

SECTION 11. IC 20-43-1-23, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 23. "School corporation" means the following:

(1) Any local public school corporation established under Indiana law.

(2) Except as otherwise indicated in this article, a charter school.

(3) Morton Residential Academy.

SECTION 12. IC 21-14-4-1, AS ADDED BY P.L.2-2007, SECTION 255, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. This chapter applies to the following persons:

(1) A person who:

(A) is a pupil at the ~~Soldiers' and Sailors' Children's Home~~; **Morton Residential Academy;**

(B) was admitted to the ~~Soldiers' and Sailors' Children's Home~~ **Morton Residential Academy** because the person was related to a member of the armed forces of the United States;

(C) is eligible to pay the resident tuition rate at the state educational institution the person will attend as determined by the institution; and

(D) possesses the requisite academic qualifications.

(2) A person:

(A) whose mother or father:

(i) served in the armed forces of the United States;

(ii) received the Purple Heart decoration or was wounded as a result of enemy action; and

(iii) received a discharge or separation from the armed forces other than a dishonorable discharge;

(B) who is eligible to pay the resident tuition rate at the state educational institution the person will attend as determined by the institution; and

(C) who possesses the requisite academic qualifications.

(3) A person:

(A) whose mother or father:

(i) served in the armed forces of the United States during a war or performed duty equally hazardous that was recognized by the award of a service or campaign medal of the United States;

(ii) suffered a service connected death or disability as determined by the United States Department of Veterans Affairs; and

(iii) received any discharge or separation from the armed forces other than a dishonorable discharge;

(B) who is eligible to pay the resident tuition rate at the state educational institution the person will attend, as determined by the institution; and

(C) who possesses the requisite academic qualifications.

SECTION 13. IC 31-26-7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 7. Placement of a Child in the Morton Residential Academy

Sec. 1. The department may place a child in need of services or who is in foster care in the Morton Residential Academy established under IC 10-17-9.5-9, subject to the superintendent of the Morton Residential Academy's approval under IC 10-17-9.5-19(d), if the department believes that placement in the Morton Residential Academy is in the best interests of the child.

Sec. 2. Except as provided in any other federal or state law, if the department places a child in the Morton Residential Academy, the department must provide the superintendent of the Morton Residential Academy all records pertaining to the child.

SECTION 14. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2009]: IC 16-18-2-4; IC 16-18-2-24; IC 16-18-2-88; IC 16-18-2-172; IC 16-18-2-225; IC 16-19-6;

IC 16-33-4.

SECTION 15. [EFFECTIVE UPON PASSAGE] **(a) The definitions in IC 10-17-1.1, as added by this act, apply throughout this SECTION.**

(b) Notwithstanding IC 10-17-1.1-1, before July 1, 2009, the governor shall appoint the voting members of the board established by IC 10-17-1.1-3, as added by this act.

(c) The board shall hold its first meeting in July 2009 and conduct business the board considers necessary.

(d) This SECTION expires July 1, 2011.

SECTION 16. [EFFECTIVE UPON PASSAGE] **(a) There is appropriated to the Indiana Soldiers' and Sailors' Children's Home (after June 30, 2009, the Indiana Soldiers' and Sailors' Children's Home is referred to as the Morton Residential Academy) two million dollars ($2,000,000) from Indiana's apportionment of general state assistance grants provided to the states under the federal American Recovery and Reinvestment Act of 2009 or another federal economic stimulus law enacted in 2009. The appropriation shall be used for modernizing, renovating, and repairing the Indiana Soldiers' and Sailors' Children's Home. The appropriation is for a state fiscal year beginning July 1, 2009, and ending June 30, 2010. The appropriation is in addition to other money that may be available for this purpose.**

(b) This SECTION expires July 1, 2010.

SECTION 17. [EFFECTIVE JULY 1, 2009] **(a) On July 1, 2009, the Morton Residential Academy becomes the owner of all personal and real property of the Indiana Soldiers' and Sailors' Children's Home.**

(b) This SECTION expires December 31, 2010.

SECTION 18. **An emergency is declared for this act.**".

(Reference is to HB 1722 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 2.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1726, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 12-15-44.2-4, AS ADDED BY P.L.3-2008, SECTION 98, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) The plan must include the following in a manner and to the extent determined by the office:

(1) Mental health care services.
(2) Inpatient hospital services.
(3) Prescription drug coverage.
(4) Emergency room services.
(5) Physician office services.
(6) Diagnostic services.
(7) Outpatient services, including therapy services.
(8) Comprehensive disease management.
(9) Home health services, including case management.
(10) Urgent care center services.
(11) Preventative care services.
(12) Family planning services:
(A) including contraceptives and sexually transmitted disease testing, as described in federal Medicaid law (42 U.S.C. 1396 et seq.); and
(B) not including abortion or abortifacients.
(13) Hospice services.
(14) Substance abuse services.
(15) Chiropractor office services.

(b) The plan must do the following:
(1) Offer coverage for dental and vision services to an individual who participates in the plan.
(2) Pay at least fifty percent (50%) of the premium cost of dental and vision services coverage described in subdivision (1).

(c) An individual who receives the dental or vision coverage offered under subsection (b) shall pay an amount determined by the office for the coverage. The office shall limit the payment to not more than five percent (5%) of the individual's annual household income. The payment required under this subsection is in addition to the payment required under section 11(b)(2) of this chapter for coverage under the plan.

(d) Vision services offered by the plan must include services provided by an optometrist.

(e) The plan must comply with any coverage requirements that apply to an accident and sickness insurance policy issued in Indiana.

(f) The plan may not permit treatment limitations or financial requirements on the coverage of mental health care services or substance abuse services if similar limitations or requirements are not imposed on the coverage of services for other medical or surgical conditions.

(g) The plan may not permit treatment limitations or financial requirements on the coverage of chiropractor office services if similar limitations or requirements are not imposed on the coverage of physician office services.

(Reference is to HB 1726 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 3.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1733, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-20-37 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 37. Division of Interscholastic Athletics

Sec. 1. As used in this chapter, "director" refers to the director of interscholastic athletics.

Sec. 2. As used in this chapter, "division" refers to the division of interscholastic athletics established by section 3 of this chapter.

Sec. 3. There is established within the department the division of interscholastic athletics.

Sec. 4. (a) The division is governed by a nine (9) member interscholastic athletics board of directors appointed under this section.

(b) The state superintendent shall appoint a member to represent each congressional district. A member must reside in the congressional district the member represents.

(c) The term of a member:
(1) is four (4) years;
(2) begins on July 1 of the year of appointment; and
(3) continues until a successor is appointed.

(d) A member may be appointed to successive terms.

(e) The interscholastic athletics board shall meet:
(1) at least one (1) time each month; and

(2) at the call of the chairperson.

Sec. 5. The interscholastic athletics board shall elect from its membership a chairperson, a vice chairperson, and other necessary officers. A member of the board is entitled to the following:

(1) The salary per diem provided under IC 4-10-11-2.1(b).

(2) Reimbursement for traveling expenses as provided under IC 4-13-1-4.

(3) Other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 6. The interscholastic athletics board has the following powers and duties:

(1) To regulate, supervise, and administer all interscholastic athletic programs.

(2) To cooperate with all agencies concerned with the health and educational welfare of secondary school students.

(3) To establish standards for eligibility, competition, and sportsmanship while providing protection against the exploitation of schools or students.

(4) To determine qualifications for individual contestants, coaches, and officials.

(5) To enter into agreements with nonpublic schools concerning their participation in interscholastic athletic programs.

(6) To adopt, with the approval of the state board, rules governing interscholastic athletic programs.

(7) To appoint, with the approval of the state superintendent, a director of interscholastic athletics. The director serves at the will of the board. The compensation of the director shall be fixed by the budget agency with the approval of the state superintendent.

(8) With the consent of the state superintendent and the budget agency, to appoint and fix salaries for any assistants and other personnel needed to enable the director to accomplish the duties of the director's office.

Sec. 7. After June 30, 2009, a school corporation may participate in an athletic event only if the athletic event is conducted, organized, sanctioned, or sponsored by the division under this chapter.

SECTION 2. IC 20-26-14 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 3. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "board" refers to the interscholastic athletics board appointed under IC 20-20-37-4, as added by this act.**

(b) As used in this SECTION, "state superintendent" refers to the state superintendent of public instruction.

(c) The state superintendent shall make the appointments under IC 20-20-37-4, as added by this act, not later than June 15, 2009.

(d) Notwithstanding IC 20-20-37-4(c)(1), as added by this act, the state superintendent shall designate four (4) members appointed under this SECTION to serve terms beginning July 1, 2009, and ending June 30, 2011.

(e) This SECTION expires July 1, 2011.

SECTION 4. [EFFECTIVE UPON PASSAGE] **(a) IC 20-20-37-7, as added by this act, does not apply to a contract entered into before July 1, 2009, for the conduct, organization, sanctioning, or sponsorship of an athletic event.**

(b) A contract described in subsection (a) may not be extended or renewed if the contract would violate IC 20-20-37-7, as added by this act.

(c) This SECTION expires June 30, 2014.

SECTION 5. **An emergency is declared for this act.**

(Reference is to HB 1733 as introduced.)
and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 5.

PORTER, Chair

Report adopted.

RESOLUTIONS ON FIRST READING

House Concurrent Resolution 23

Representative Duncan introduced House Concurrent Resolution 23:

A CONCURRENT RESOLUTION honoring Marvin L. Cole.

Whereas, Marvin L. Cole has been a lifelong resident of Rush County;

Whereas, Marvin has served his community with enthusiasm and dedication for many years;

Whereas, Marvin has contributed to the business community by owning three farms and a very successful gun and tackle shop for over 25 years;

Whereas, Marvin has served in county government for more than ten terms and is currently a Rush County Commissioner;

Whereas, Before serving in elected positions, Marvin was a reserve deputy on the Rush County Sheriff's Department for 25 years and was a member of the United States Army Reserve, rising to the rank of Corporal; and

Whereas, The people of Indiana take great pride in the life and accomplishments of Marvin L. Cole and wish him continued good health and happiness: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly honors Marvin L. Cole for his many accomplishments and achievements both in service to the state of Indiana and in service to his community.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Marvin L. Cole and his family.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Leising.

The Speaker Pro Tempore yielded the gavel to the Speaker.

ENGROSSED HOUSE BILLS ON THIRD READING

Engrossed House Bill 1266

Representative Avery called down Engrossed House Bill 1266 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 148: yeas 51, nays 47. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Hume and Landske.

Engrossed House Bill 1207

Representative C. Brown called down Engrossed House Bill 1207 for third reading:

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

The bill was reread a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Representative Bardon was excused from voting, pursuant to House Rule 46. Roll Call 149: yeas 48, nays 48. The bill failed for lack of a constitutional majority.

Engrossed House Bill 1076

Representative Cheatham called down Engrossed House Bill 1076 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 150: yeas 51, nays 47. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Walker, Tallian, and Lewis.

Engrossed House Bill 1114

Representative Cheatham called down Engrossed House Bill 1114 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning environmental law.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 151: yeas 86, nays 10. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Gard and Lewis.

Engrossed House Bill 1084

Representative Fry called down Engrossed House Bill 1084 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 152: yeas 84, nays 13. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Simpson and Paul.

Engrossed House Bill 1435

Representative L. Lawson called down Engrossed House Bill 1435 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning courts and court officers and to make an appropriation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 153: yeas 53, nays 42. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Mrvan and Landske.

Engrossed House Bill 1468

Representative L. Lawson called down Engrossed House Bill 1468 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 154: yeas 81, nays 14. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Lubbers, Zakas, Simpson, and Lanane.

Engrossed House Bill 1651

Representative Austin called down Engrossed House Bill 1651 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 155: yeas 83, nays 7. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Kruse and Lanane.

With consent of the members, the Speaker returned to reports from committees.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1036, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 13, delete "fifty" and insert "**two**".

Page 1, line 14, delete "($50,000)." and insert "**($2,000).**".

Page 2, line 33, after "who" insert "**has an annual household income of not more than three hundred percent (300%) of the federal income poverty level and**".

(Reference is to HB 1036 as printed February 3, 2009.)

and when so amended that said bill do pass.

Committee Vote: yeas 17, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1058, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 17, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1208, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 17, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1230, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 34, delete "If a newspaper has an Internet web site that meets the".

Page 3, line 35, delete "requirements of subsection (c), a" and insert "**A**".

Page 3, delete lines 39 through 41.

Page 3, line 42, delete "(d)" and insert "**(c)**".

Page 4, delete lines 2 through 7.

Page 5, delete lines 27 through 42.

Delete pages 6 through 7.

Page 8, delete lines 1 through 4.

Page 8, line 19, delete "In the annual financial report, the".

Page 8, delete lines 20 through 35.

Page 12, delete lines 24 through 42.

Page 13, delete lines 1 through 19.

Renumber all SECTIONS consecutively.

(Reference is to HB 1230 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

V. SMITH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1280, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Replace the effective dates in SECTIONS 1 through 2 with "[EFFECTIVE UPON PASSAGE]".

Page 1, line 11, delete "Beginning July 1, 2010, the auditor of state shall" and insert "**Not later than July 1, 2009, the auditor of state shall begin to**".

Page 3, between lines 12 and 13, begin a new paragraph and insert:

"**Sec. 12. Not later than November 1, 2010, the auditor of state shall provide a report to the state board of finance that details the state expenditures contained in the database created under this chapter and the progress the auditor has made to comply with this chapter.**".

Page 3, after line 17, begin a new paragraph and insert:

"SECTION 3. **An emergency is declared for this act.**".

(Reference is to HB 1280 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 20, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1286, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning charitable and type II gaming issues.

Page 2, delete lines 8 through 37, begin a new paragraph and insert:

"SECTION 2. IC 4-32.2-2-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 7.5. "Bona fide fraternal organization" means a type of bona fide civic organization that:**

(1) is a branch, lodge, or chapter of a national organization; and

(2) exists for the common charitable purposes, brotherhood, or other interests of its members.

SECTION 3. IC 4-32.2-2-23.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 23.5. "Qualified drawing" means a random drawing to award one (1) or more prizes that is conducted in the manner required by IC 4-36-5-1(c).**

SECTION 4. IC 4-32.2-2-24, AS AMENDED BY P.L.227-2007, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 24. (a) "Qualified organization" ~~means.~~ **refers to any of the following:**

(1) A bona fide religious, educational, senior citizens, veterans, or civic organization operating in Indiana that:

(A) operates without profit to the organization's members;

(B) is exempt from taxation under Section 501 of the Internal Revenue Code; and

(C) **satisfies at least one (1) of the following requirements:**

(i) The organization has been continuously in existence in Indiana for at least five (5) years. ~~or~~

(ii) The organization is affiliated with a parent organization that has been in existence in Indiana for at least five (5) years.

(iii) The organization has reorganized and is continuing its mission under a new name on file with the Indiana secretary of state and with a new tax identification number after having satisfied the requirements set forth in either item (i) or (ii).

(2) A bona fide political organization operating in Indiana that produces exempt function income (as defined in Section 527 of the Internal Revenue Code). ~~or~~

(3) A state educational institution (as defined in ~~IC 20-12-0.5-1).~~ **IC 21-7-13-32).**

(b) For purposes of IC 4-32.2-4-3, a "qualified organization" includes the following:

(1) A hospital licensed under IC 16-21.

(2) A health facility licensed under IC 16-28.

(3) A psychiatric facility licensed under IC 12-25.

(4) An organization defined in subsection (a).

(c) For purposes of IC 4-32.2-4-10, a "qualified organization" includes a bona fide business organization.

(d) Evidence that an organization satisfies subsection (a)(1)(C)(iii) includes:

(1) evidence of the organization's continued use of a service mark or trademarked logo associated with the organization's former name;

(2) evidence of the continuity of the organization's activities as shown in the federal income tax returns filed for the organization's five (5) most recent taxable years;

(3) evidence of the continuity of the organization's activities as shown by the five (5) most recent annual external financial reviews of the organization prepared by a certified public accountant; or

(4) any other information considered sufficient by the commission.

SECTION 5. IC 4-32.2-4-7.5, AS ADDED BY P.L.227-2007, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7.5. (a) ~~Subject to~~ **This section applies only to a qualified organization described in** subsection (h). The commission may issue an annual charity game night license to a qualified organization if:

(1) the provisions of this section are satisfied; and

(2) the qualified organization:

(A) submits an application; and

(B) pays a fee set by the commission under IC 4-32.2-6.

(b) The commission may hold a public hearing to obtain input on the proposed issuance of an annual charity game night license to an applicant that has never held an annual charity game night license under this article.

(c) The first time that a qualified organization applies for an annual charity game night license, the qualified organization shall publish notice that the application has been filed by publication at least two (2) times, seven (7) days apart, as follows:

(1) In one (1) newspaper in the county where the qualified organization is located.

(2) In one (1) newspaper in the county where the allowable events will be conducted.

(d) The notification required by subsection (c) must contain the following:

(1) The name of the qualified organization and the fact that it has applied for an annual charity game night license.

(2) The location where the charity game night events will be held.

(3) The names of the operator and officers of the qualified organization.

(4) A statement that any person can protest the proposed issuance of the annual charity game night license.

(5) A statement that the commission shall hold a public hearing if ten (10) written and signed protest letters are received by the commission.

(6) The address of the commission where correspondence concerning the application may be sent.

(e) If the commission receives at least ten (10) protest letters, the commission shall hold a public hearing in accordance with IC 5-14-1.5. The commission shall issue a license or deny the application not later than sixty (60) days after the date of the public hearing.

(f) A license issued under this section:

(1) may authorize the qualified organization to conduct charity game night events on more than one (1) occasion during a period of one (1) year;

(2) must state the locations of the permitted charity game night events;

(3) must state the expiration date of the license; and

(4) may be reissued annually upon the submission of an application for reissuance on the form established by the commission and upon the licensee's payment of a fee set by the commission.

(g) Notwithstanding subsection (f)(4), the commission may hold a public hearing for the reissuance of an annual charity game night license if at least one (1) of the following conditions is met:

(1) An applicant has been cited for a violation of law or a rule of the commission.

(2) The commission receives at least ten (10) protest letters concerning the qualified organization's charity game night operation.

(3) A public hearing is considered necessary by the commission.

(h) ~~Notwithstanding IC 4-32.2-2-24, this section applies only to:~~ **A qualified organization may apply for an annual charity game night license under this section if the qualified organization is:**

(1) a bona fide ~~civic~~ **fraternal** organization; or

(2) a bona fide veterans organization;

that has been continuously in existence in Indiana for ten (10) years. ~~A qualified organization that is not described in this subsection may not apply for an annual charity game night license under this section.~~

(i) A facility or location may not be used for purposes of conducting an annual charity game night event on more than three (3) calendar days per calendar week regardless of the number of qualified organizations conducting an annual charity game night event at the facility or location.

SECTION 6. IC 4-32.2-4-13, AS AMENDED BY P.L.95-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. (a) A bingo license or special bingo license may also authorize a qualified organization to conduct raffle events and door prize drawings and sell pull tabs, punchboards, and tip boards at the bingo event.

(b) A charity game night license may also authorize a qualified organization to:

(1) conduct raffle events and door prize drawings; and

(2) sell pull tabs, punchboards, and tip boards;

at the charity game night.

(c) A raffle license or an annual raffle license may also authorize a qualified organization to conduct door prize drawings and sell pull tabs, punchboards, and tip boards at the raffle event.

(d) A door prize license or an annual door prize license may also authorize a qualified organization to conduct a raffle event and to sell pull tabs, punchboards, and tip boards at the door prize event.

(e) A PPT license may also authorize a qualified organization to conduct ~~at any time~~ on the premises described in section 16.5(b) of this chapter ~~a winner take all drawing in which the qualified organization retains no portion of the amounts wagered. The total amount awarded to a patron who participates in a winner take all drawing may not exceed three hundred dollars ($300).~~ **qualified drawings in the manner required by IC 4-32.2-5-24.**

SECTION 7. IC 4-32.2-5-8, AS AMENDED BY P.L.227-2007, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. (a) If ~~facilities are~~ **a facility or location is** leased for an allowable event, the rent may not be based in whole or in part on the revenue generated from the event.

(b) **Subject to the additional restrictions on the use of a facility or location that are set forth in IC 4-32.2-4-7.5(i),** a facility **or location** may not be rented for more than three (3) days during a calendar week for an allowable event.

(c) If personal property is leased for an allowable event, the rent may not be based in whole or in part on the revenue generated from the event.

SECTION 8. IC 4-32.2-5-14, AS AMENDED BY P.L.95-2008, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 14. (a) **Except as provided by subsection (c),** an operator or a worker may not directly or indirectly participate, other than in a capacity as an operator or a worker, in an allowable event that the operator or worker is conducting.

(b) A patron at a charity game night may deal the cards in a card game if:

(1) the card game in which the patron deals the cards is a game of euchre;

(2) the patron deals the cards in the manner required in the ordinary course of the game of euchre; and

(3) the euchre game is played under the supervision of the qualified organization conducting the charity game night in accordance with rules adopted by the commission under IC 4-32.2-3-3.

A patron who deals the cards in a euchre game conducted under this subsection is not considered a worker or an operator for purposes of this article.

(c) This subsection does not apply to the operator of a festival event. A worker assisting a qualified organization in the conduct of a festival event may make a wager on any game of chance authorized by the qualified organization's festival license except for a game of chance that the worker personally conducts or helps conduct during the festival event.

SECTION 9. IC 4-32.2-5-24 IS ADDED TO THE INDIANA

CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 24. (a) A qualified drawing must be conducted in the manner required by this section.**

(b) A qualified drawing is subject to the following rules and limitations:

(1) The purchase price for a chance to win a prize in a qualified drawing may not exceed five dollars ($5).

(2) All tickets that a qualified organization sells in a qualified drawing must have been purchased by the qualified organization from a licensed distributor.

(3) The total value of all prizes that may be won in a particular qualified drawing may not exceed three hundred dollars ($300) for any of the following:

(A) A daily drawing.

(B) A weekly drawing.

(C) A monthly drawing.

(4) A qualified drawing must be conducted in accordance with the following limitations:

(A) Not more than one (1) daily drawing may be conducted each day.

(B) Not more than one (1) weekly drawing may be conducted each week.

(C) Not more than one (1) monthly drawing may be conducted each month.

A weekly or monthly drawing may be conducted on the same day that a daily drawing is conducted.

(5) Except as otherwise provided in this section, a patron must be present to claim a prize awarded in a qualified drawing.

(6) A qualified organization may not profit from conducting a qualified drawing.

(7) All amounts wagered on qualified drawings must be returned to a qualified organization's patrons in the form of prizes.

(8) A qualified organization may not conduct a qualified drawing or any other event in which the winner of the prize is determined, in whole or in part, by a sporting event.

(9) A qualified drawing must conspicuously display the following information concerning each qualified drawing conducted by the qualified drawing:

(A) The price of a ticket.

(B) The time of the drawing.

(C) The description and value of the prizes awarded in the drawing.

(D) The manner in which a prize may be claimed.

(c) A prize may be awarded under subsection (d) to a patron who is not present at the time of the qualified drawing if the patron provides the patron's name, address, and telephone number to the qualified organization before the drawing to enable the qualified organization to award the prize to the patron at a later time. If the winning patron has not provided the information required by this subsection to the qualified organization before the drawing, the qualified organization must continue drawing tickets in the qualified drawing until there is a winner who:

(1) is present to claim the prize; or

(2) has provided the information required by this subsection to enable the qualified organization to award the prize to the patron under subsection (d).

(d) When the winning patron is not present to claim a prize but has provided the information required by subsection (c) to the qualified organization, the qualified organization shall award the prize in the following manner:

(1) The qualified organization shall immediately notify the winning patron by telephone that the patron's name was drawn in a qualified drawing and that the patron has seventy-two (72) hours after the time of the telephone notification to claim the prize.

(2) The winning patron must appear at the premises of the qualified organization within seventy-two (72) hours after the time of the notification under subdivision (1) to claim the prize in person.

(3) The qualified organization shall verify the identity of the winning patron and award the prize.

(e) If a winning patron fails to claim a prize in the manner required by subsection (d), the qualified organization shall carry the prize over to a later qualified drawing as follows:

(1) An unclaimed prize from a daily drawing must be carried over to the next daily drawing.

(2) An unclaimed prize from a weekly drawing must be carried over to the next weekly drawing.

(3) An unclaimed prize from a monthly drawing must be carried over to the next monthly drawing.

SECTION 10. IC 4-32.2-6-0.5, AS ADDED BY P.L.95-2008, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 0.5. As used in this chapter, "gross revenue" does not include any amount wagered on a ~~winner take all~~ **qualified** drawing conducted by a qualified organization under IC 4-32.2-4-13(e).

SECTION 11. IC 4-32.2-9-9, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. **(a)** Information obtained by the commission during the course of an investigation conducted under this chapter is confidential.

(b) A driver's license number or other identifying information of an operator or worker that is submitted to the commission on an application for a license under this article is confidential.".

Page 3, between lines 7 and 8, begin a new paragraph and insert:

"SECTION 14. IC 4-36-4-5, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The commission shall charge the following fees for the issuance of a person's initial annual endorsement or license under this chapter:

(1) Two hundred fifty dollars ($250) for a retailer's endorsement to conduct a type II gambling operation in the retailer's tavern.

(2) One thousand dollars ($1,000) for a distributor's license.

(3) One thousand five hundred dollars ($1,500) for a manufacturer's license.

(b) The commission shall charge the following fees for the renewal of a person's annual endorsement or license under this chapter:

(1) The ~~amount determined under section 6 of this chapter~~ **following amounts** for a retailer's endorsement:

(A) One hundred dollars ($100) in the case of a retailer that had adjusted gross revenues of less than twenty-five thousand dollars ($25,000) in the previous year.

(B) Two hundred fifty dollars ($250) in the case of a retailer that had adjusted gross revenues of at least twenty-five thousand dollars ($25,000) but less than fifty thousand dollars ($50,000) in the previous year.

(C) Five hundred dollars ($500) in the case of a retailer that had adjusted gross revenues of at least fifty thousand dollars ($50,000) but less than one hundred thousand dollars ($100,000) in the previous year.

(D) One thousand dollars ($1,000) in the case of a retailer that had adjusted gross revenues of at least one hundred thousand dollars ($100,000) in the previous year.

(2) One thousand dollars ($1,000) for a distributor's license.

(3) One thousand five hundred dollars ($1,500) for a manufacturer's license.

(c) A retailer shall report the amount of the retailer's

adjusted gross receipts on the form required to renew the retailer's endorsement. The renewal fee required under subsection (b)(1) must be submitted with the renewal form.

~~(c)~~ **(d)** The commission shall deposit all fees collected under this chapter into the enforcement and administration fund established under IC 7.1-4-10.".

Page 3, line 10, strike "subsection (c)," and insert "**section 5(b)(1) of this chapter,**".

Page 3, strike lines 27 through 42.

Page 4, strike lines 1 through 11.

Page 7, delete lines 29 through 30, begin a new paragraph and insert:

"SECTION 22. IC 4-36-2-16 IS REPEALED [EFFECTIVE JULY 1, 2009].

SECTION 23. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1286 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

VAN HAAFTEN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1303, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 7, between lines 37 and 38, begin a new paragraph and insert:

"SECTION 4. IC 6-1.1-37-9, AS AMENDED BY P.L.219-2007, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 9. (a) This section applies when:

(1) an assessment is made or increased after the date or dates on which the taxes for the year for which the assessment is made were originally due;

(2) the assessment upon which a taxpayer has been paying taxes under IC 6-1.1-15-10(a)(1) or IC 6-1.1-15-10(a)(2) while a petition for review or a judicial proceeding has been pending is less than the assessment that results from the final determination of the petition for review or judicial proceeding; or

(3) the collection of certain ad valorem property taxes has been enjoined under IC 33-26-6-2, and under the final determination of the petition for judicial review the taxpayer is liable for at least part of those taxes.

(b) Except as provided in subsections (c) and (g), a taxpayer shall pay interest on the taxes the taxpayer is required to pay as a result of an action or a determination described in subsection (a) at the rate of ten percent (10%) per year from the original due date or dates for those taxes to:

(1) the date of payment; or

(2) the date on which penalties for the late payment of a tax installment may be charged under subsection (e) or (f);

whichever occurs first.

(c) Except as provided in subsection (g), a taxpayer shall pay interest on the taxes the taxpayer is ultimately required to pay in excess of the amount that the taxpayer is required to pay under IC 6-1.1-15-10(a)(1) while a petition for review or a judicial proceeding has been pending at the overpayment rate established under Section 6621(c)(1) of the Internal Revenue Code in effect on the original due date or dates for those taxes from the original due date or dates for those taxes to:

(1) the date of payment; or

(2) the date on which penalties for the late payment of a tax installment may be charged under subsection (e) or (f);

whichever occurs first.

(d) With respect to an action or determination described in subsection (a), the taxpayer shall pay the taxes resulting from that action or determination and the interest prescribed under subsection (b) or (c) on or before:

(1) the next May 10; or

(2) the next November 10;

whichever occurs first.

(e) A taxpayer shall, to the extent that the penalty is not waived under section **10.1,** 10.5, or 10.7 of this chapter, begin paying the penalty prescribed in section 10 of this chapter on the day after the date for payment prescribed in subsection (d) if:

(1) the taxpayer has not paid the amount of taxes resulting from the action or determination; and

(2) the taxpayer either:

(A) received notice of the taxes the taxpayer is required to pay as a result of the action or determination at least thirty (30) days before the date for payment; or

(B) voluntarily signed and filed an assessment return for the taxes.

(f) If subsection (e) does not apply, a taxpayer who has not paid the amount of taxes resulting from the action or determination shall, to the extent that the penalty is not waived under section **10.1,** 10.5, or 10.7 of this chapter, begin paying the penalty prescribed in section 10 of this chapter on:

(1) the next May 10 which follows the date for payment prescribed in subsection (d); or

(2) the next November 10 which follows the date for payment prescribed in subsection (d);

whichever occurs first.

(g) A taxpayer is not subject to the payment of interest on real property assessments under subsection (b) or (c) if:

(1) an assessment is made or increased after the date or dates on which the taxes for the year for which the assessment is made were due;

(2) the assessment or the assessment increase is made as the result of error or neglect by the assessor or by any other official involved with the assessment of property or the collection of property taxes; and

(3) the assessment:

(A) would have been made on the normal assessment date if the error or neglect had not occurred; or

(B) increase would have been included in the assessment on the normal annual assessment date if the error or neglect had not occurred.

SECTION 5. IC 6-1.1-37-10, AS AMENDED BY P.L.3-2008, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 10. (a) Except as provided in sections **10.1,** 10.5, and 10.7 of this chapter, if an installment of property taxes is not completely paid on or before the due date, a penalty shall be added to the unpaid portion in the year of the initial delinquency. The penalty is equal to an amount determined as follows:

(1) If:

(A) an installment of real property taxes is completely paid on or before the date thirty (30) days after the due date; and

(B) the taxpayer is not liable for delinquent property taxes first due and payable in a previous installment for the same parcel;

the amount of the penalty is equal to five percent (5%) of the amount of delinquent taxes.

(2) If:

(A) an installment of personal property taxes is completely paid on or before the date thirty (30) days after the due date; and

(B) the taxpayer is not liable for delinquent property taxes first due and payable in a previous installment for a personal property tax return for property in the same

taxing district;

the amount of the penalty is equal to five percent (5%) of the amount of delinquent taxes.

(3) If subdivision (1) or (2) does not apply, the amount of the penalty is equal to ten percent (10%) of the amount of delinquent taxes.

(b) With respect to property taxes due in two (2) equal installments under IC 6-1.1-22-9(a), on the day immediately following the due dates of the first and second installments in each year following the year of the initial delinquency, an additional penalty equal to ten percent (10%) of any taxes remaining unpaid shall be added. With respect to property taxes due in installments under IC 6-1.1-22-9.5, an additional penalty equal to ten percent (10%) of any taxes remaining unpaid shall be added on the day immediately following each date that succeeds the last installment due date by:

(1) six (6) months; or

(2) a multiple of six (6) months.

(c) The penalties under subsection (b) are imposed only on the principal amount of the delinquent taxes.

(d) If the department of local government finance determines that an emergency has occurred which precludes the mailing of the tax statement in any county at the time set forth in IC 6-1.1-22-8.1, the department shall establish by order a new date on which the installment of taxes in that county is due and no installment is delinquent if paid by the date so established.

(e) If any due date falls on a Saturday, a Sunday, a national legal holiday recognized by the federal government, or a statewide holiday, the act that must be performed by that date is timely if performed by the next succeeding day that is not a Saturday, a Sunday, or one (1) of those holidays.

(f) Subject to subsections (g) and (h), a payment to the county treasurer is considered to have been paid by the due date if the payment is:

(1) received on or before the due date by the county treasurer or a collecting agent appointed by the county treasurer;

(2) deposited in United States first class mail:

(A) properly addressed to the principal office of the county treasurer;

(B) with sufficient postage; and

(C) postmarked by the United States Postal Service as mailed on or before the due date;

(3) deposited with a nationally recognized express parcel carrier and is:

(A) properly addressed to the principal office of the county treasurer; and

(B) verified by the express parcel carrier as:

(i) paid in full for final delivery; and

(ii) received by the express parcel carrier on or before the due date;

(4) deposited to be mailed through United States registered mail, United States certified mail, or United States certificate of mailing:

(A) properly addressed to the principal office of the county treasurer;

(B) with sufficient postage; and

(C) with a date of registration, certification, or certificate, as evidenced by any record authenticated by the United States Postal Service, on or before the due date; or

(5) made by an electronic funds transfer and the taxpayer's bank account is charged on or before the due date.

For purposes of this subsection, "postmarked" does not mean the date printed by a postage meter that affixes postage to the envelope or package containing a payment.

(g) If a payment is mailed through the United States mail and is physically received after the due date without a legible correct postmark, the person who mailed the payment is considered to have made the payment on or before the due date if the person can show by reasonable evidence that the payment was deposited in the United States mail on or before the due date.

(h) If a payment is sent via the United States mail or a nationally recognized express parcel carrier but is not received by the designated recipient, the person who sent the payment is considered to have made the payment on or before the due date if the person:

(1) can show by reasonable evidence that the payment was deposited in the United States mail, or with the express parcel carrier, on or before the due date; and

(2) makes a duplicate payment within thirty (30) days after the date the person is notified that the payment was not received.

SECTION 6. IC 6-1.1-37-10.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 10.1. (a) This section applies only to:**

(1) property taxes first due and payable before January 1, 2009, with respect to a tract or an item of real property (other than real property classified as industrial property under the rules of the department of local government finance); and

(2) penalties added to a delinquent property tax installment under section 10 of this chapter before January 1, 2009.

(b) The county treasurer shall waive all penalties added to a delinquent property tax installment if all the delinquent taxes and special assessments on the tract or item of real property are paid before July 1, 2010.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1303 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 20, nays 1.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1315, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 16, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1323, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 5 through 42.

Page 3, delete lines 1 through 4.

Page 3, delete lines 27 through 32.

Page 4, delete lines 11 through 42.

Delete page 5.

Page 6, delete lines 1 through 7.

Renumber all SECTIONS consecutively.

(Reference is to HB 1323 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 2.

AUSTIN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1388, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 5, line 21, delete "may" and insert "**shall**".
Page 7, line 32, reset in roman "(c)".
Page 7, line 32, delete "(d)".
Page 7, line 33, after "(b)" insert ",".
Page 7, line 33, delete "or (c),".
Page 7, line 40, reset in roman "(d)".
Page 7, line 40, delete "(e)".
Page 7, line 40, after "(b)" insert ",".
Page 7, line 40, delete "or (c),".
Page 8, line 11, reset in roman "(e)".
Page 8, line 11, delete "(f)".
(Reference is to HB 1388 as printed February 18, 2009.)
and when so amended that said bill do pass.

Committee Vote: yeas 18, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1447, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 15, begin a new paragraph and insert:

"SECTION 1. IC 3-11-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. To provide for a cumulative fund, a county may levy a tax in compliance with IC 6-1.1-41 on all taxable property within the county. The tax may not exceed **the following:**

(1) The levy imposed for the fund in the immediately preceding year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of temporary adjustments made to the levy for the calendar year, if the taxing unit levied a property tax for the fund in the immediately preceding year.

(2) The levy imposed for the fund for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax for the fund in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed valuation.

SECTION 2. IC 5-1-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) Any bonds, notes, or warrants, whether payable from property taxes, revenues, or any other source, are not subject to the maximum interest rate limitations contained in any law enacted before December 31, 1982, if they are issued by or in the name of any entity named in IC 5-1-1-1.

(b) After July 1, 1979, any bond, coupon, certificate of indebtedness, or installment payment payable by a city, town, or property holder for public improvements under the Barrett Law is not subject to any maximum interest rate limitation. This subsection does not apply to interest rates or penalties on delinquencies provided under the Barrett Law.

~~(c) This section does not limit an interest rate review conducted by the department of local government finance under IC 6-1.1-20-7.~~

SECTION 3. IC 5-1-16-42, AS AMENDED BY P.L.146-2008, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 42. (a) When the authority, the board of trustees or board of managers of the hospital, the board of commissioners of the county, and a majority of the county council have agreed upon the terms and conditions of any lease proposed to be entered into under section 38 or 39 of this chapter, and before the final execution of the lease, the county auditor shall give notice by publication of a public hearing to be held in the county by the board of commissioners. The hearing shall take place on a day not earlier than ten (10) days after the publication of the notice. The notice of the hearing shall be published one (1) time in a newspaper of general circulation printed in the English language and published in the county. The notice shall do the following:

(1) Name the day, place, and hour of the hearing.
(2) Set forth a brief summary of the principal terms of the lease agreed upon, including the character and location of the property to be leased, the lease rental to be paid, and the number of years the contract is to be in effect.
(3) State a location where the proposed lease, drawings, plans, specifications, and estimates may be examined.

The proposed lease and the drawings, plans, specifications, and estimates of construction cost for the building shall be open to inspection by the public during the ten (10) day period and at the hearing. All interested persons shall have a right to be heard at the hearing on the necessity for the execution of the lease and whether the lease rental under the lease is fair and reasonable. The hearing may be adjourned to a later date with the place of the hearing fixed prior to adjournment. Following the hearing, the board of commissioners may either authorize the execution of the lease as originally agreed upon or may make modifications that are agreed upon by the authority, the board of trustees or board of managers of the hospital, and the county council. The authorization shall be by an order that is entered in the official records of the board of commissioners. The lease contract shall be executed on behalf of the county by the board of commissioners.

(b) If the execution of the lease as originally agreed upon or as modified by agreement is authorized, notice of the signing of the lease shall be given on behalf of the county by publication one (1) time in a newspaper of general circulation printed in the English language and published in the county. ~~Except as provided in subsection (d), ten (10) or more taxpayers in the county whose tax rate will be affected by the proposed lease and who may be of the opinion that no necessity exists for the execution of the lease or that the lease rental under the lease is not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after publication of notice of the execution of the lease that sets forth the taxpayers' objections and facts supporting those objections. Upon the filing of a petition, the county auditor shall immediately certify a copy of the petition together with such other data as may be necessary in order to present the questions involved to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place in the affected county for the hearing of the matter that is not less than five (5) or more than fifteen (15) days after receipt. Notice of the hearing shall be given by the department of local government finance to the board of county commissioners and to the first ten (10) taxpayer petitioners upon the petition by certified mail sent to the~~

~~addresses listed on the petition at least five (5) days before the date of the hearing.~~

(c) No action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease shall be instituted at any time later than thirty (30) days after publication of notice of the execution of the lease. ~~or if an appeal has been taken to the department of local government finance, then within thirty (30) days after the decision of the department.~~

~~(d) The authority for taxpayers to object to a proposed lease under subsection (b) does not apply if the authority complies with the procedures for the issuance of bonds and other evidences of indebtedness described in IC 6-1.1-20.~~

SECTION 4. IC 6-1.1-1-3.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 3.8. "Civil taxing unit" has the meaning set forth in IC 6-1.1-18.5-1.**

SECTION 5. IC 6-1.1-1-8.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 8.2. "Homestead" has the meaning set forth in IC 6-1.1-12-37.**

SECTION 6. IC 6-1.1-1-8.4, AS ADDED BY P.L.146-2008, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8.4. **(a)** "Inventory" means:

(1) materials held for processing or for use in production;

(2) finished or partially finished goods of a manufacturer or processor; and

(3) property held for sale in the ordinary course of trade or business.

(b) The term includes:

(1) items that qualify as inventory under 50 IAC 4.2-5-1 (as effective December 31, 2008); **and**

(2) subject to subsection (c), a mobile home that:

(A) does not qualify as real property;

(B) is located in a mobile home community;

(C) is unoccupied; and

(D) is:

(i) owned and held for sale by the owner of the mobile home community; or

(ii) owned by a person other than the owner of the mobile home community and held for sale by the owner of the mobile home.

(c) Subsection (b)(2) applies regardless of whether the mobile home that is held for sale is new or was previously owned.

SECTION 7. IC 6-1.1-1-8.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 8.6. "Levy growth multiplier" refers to the levy growth multiplier determined for a county for a particular year under IC 6-1.1-18.5-2.**

SECTION 8. IC 6-1.1-1-8.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 8.8. "Mobile home community" has the meaning set forth in IC 16-41-27-5.**

SECTION 9. IC 6-1.1-3-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 22. (a) Except to the extent that it conflicts with a statute and subject to subsection (f), 50 IAC 4.2 (as in effect January 1, 2001), which was formerly incorporated by reference into this section, is reinstated as a rule.

(b) Tangible personal property within the scope of 50 IAC 4.2 (as in effect January 1, 2001) shall be assessed on the assessment dates in calendar years 2003 and thereafter in conformity with 50 IAC 4.2 (as in effect January 1, 2001).

(c) The publisher of the Indiana Administrative Code shall publish 50 IAC 4.2 (as in effect January 1, 2001) in the Indiana Administrative Code.

(d) 50 IAC 4.3 and any other rule to the extent that it conflicts with this section is void.

(e) A reference in 50 IAC 4.2 to a governmental entity that has been terminated or a statute that has been repealed or amended shall be treated as a reference to its successor.

(f) The department of local government finance may not amend or repeal the following (all as in effect January 1, 2001):

(1) 50 IAC 4.2-4-3(f).

(2) 50 IAC 4.2-4-7.

(3) 50 IAC 4.2-4-9.

~~(4) 50 IAC 4.2-5-7.~~

~~(5) 50 IAC 4.2-5-13.~~

~~(6)~~ **(4)** 50 IAC 4.2-6-1.

~~(7)~~ **(5)** 50 IAC 4.2-6-2.

~~(8)~~ **(6)** 50 IAC 4.2-8-9.

SECTION 11. IC 6-1.1-4-42 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2009 (RETROACTIVE)]: **Sec. 42. (a) This section applies to assessment dates after January 15, 2009.**

(b) As used in this section, "golf course" means an area of land and yard improvements that are predominately used to play the game of golf. A golf course consists of a series of holes, each consisting of a teeing area, fairway, rough and other hazards, and the green with the pin and cup.

(c) The true tax value of real property regularly used as a golf course is the lowest valuation determined by applying the income capitalization appraisal approach. The income capitalization approach used to determine the true tax value of a golf course must:

(1) incorporate an applicable income capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use;

(2) provide for the uniform and equal assessment of golf courses of similar grade quality and play length; and

(3) exclude the value of personal property, intangible property, and income derived from personal or intangible property.

(d) For assessment dates after January 15, 2009, and before March 1, 2012, a township assessor (if any) or the county assessor shall gather and process information from the owner of a golf course to carry out this section in accordance with the rules adopted by the department of local government finance under IC 4-22-2.

(e) For assessment dates after February 28, 2012, the department of local government finance shall, by rule adopted under IC 4-22-2, establish uniform income capitalization tables and procedures to be used for the assessment of golf courses. The department of local government finance may rely on analysis conducted by a state educational institution to develop the income capitalization tables and procedures required under this section. Assessing officials shall use the tables and procedures adopted by the department of local government finance to assess, reassess, and annually adjust the assessed value of golf courses.

(f) The department of local government finance may prescribe procedures, forms, and due dates for the collection from the owners or operators of golf courses of the necessary earnings, income, profits, losses, and expenditures data necessary to carry out this section. An owner or operator of a golf course shall comply with the procedures and reporting schedules prescribed by the department of local government finance.

SECTION 12. IC 6-1.1-5.5-5, AS AMENDED BY P.L.144-2008, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009

(RETROACTIVE)]: Sec. 5. (a) The department of local government finance shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the department of local government finance must include at least the following information:

(1) The key number (as defined in IC 6-1.1-1-8.5) of each parcel.
(2) With respect to each parcel, whether the entire parcel is being conveyed.
(3) The address of each improved parcel.
(4) The date of the execution of the form.
(5) The date the property was transferred.
(6) Whether the transfer includes an interest in land or improvements, or both.
(7) Whether the transfer includes personal property.
(8) An estimate of the value of any personal property included in the transfer.
(9) The name, address, and telephone number of:
(A) each transferor and transferee; and
(B) the person that prepared the form.
(10) The mailing address to which the property tax bills or other official correspondence should be sent.
(11) The ownership interest transferred.
(12) The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).
(13) Subject to subsection (c), the total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.
(14) The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.
(15) Any family or business relationship existing between the transferor and the transferee.
(16) A legal description of each parcel subject to the conveyance.
(17) Whether the transferee is using the form to claim ~~the following~~ **one (1) or more deductions under IC 6-1.1-12-44** for property taxes first due and payable in a calendar year after 2008.
~~(A) One (1) or more deductions under IC 6-1.1-12-44.~~
~~(B) The homestead credit under IC 6-1.1-20.9-3.5.~~
(18) If the transferee uses the form to claim the ~~homestead credit~~ **standard deduction** under ~~IC 6-1.1-20.9-3.5,~~ **IC 6-1.1-12-37,** the name of any other county and township in which the transferee of residential real property owns or is buying residential real property.
(19) Other information as required by the department of local government finance to carry out this chapter.

If a form under this section includes the telephone number or the Social Security number of a party, the telephone number or the Social Security number is confidential.

(b) The instructions for completing the form described in subsection (a) must include the information described in IC 6-1.1-12-43(c)(1).

(c) If the conveyance includes more than one (1) parcel as described in section 3(h) of this chapter, the form:

(1) is not required to include the price referred to in subsection (a)(13) for each of the parcels subject to the conveyance; and
(2) may state a single combined price for all of those parcels.

SECTION 13. IC 6-1.1-7-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 15. (a) This section applies to a mobile home or manufactured home:**

(1) that has deteriorated to a degree that it can no longer provide suitable protection from the elements as to be used as a primary place of residence;
(2) that has little or no value as a structure to be rehabilitated for use as a primary place of residence;
(3) on which personal property tax liability has been imposed in an amount that exceeds the estimated resale value of the mobile home or manufactured home; and
(4) that has been abandoned in a mobile home community licensed under IC 16-41-27.

(b) The holder of the title of a mobile home or manufactured home described in subsection (a) may submit a written request to the county assessor for the county where the mobile home or manufactured home is located requesting that personal property tax liability imposed on the mobile home or manufactured home be waived. If the county assessor determines that the property that is the subject of the request meets the requirements in subsection (a), the county assessor shall send to the applicant a letter that waives the property taxes, special assessments, interest, penalties, and costs assessed against the property under this article, subject to compliance with subsection (c). The county assessor shall deliver a copy of the letter to the county auditor and the county treasurer.

(c) Upon receipt of a letter waiving property taxes imposed on a mobile home or manufactured home, the holder of the title of the property that is the subject of a letter issued under subsection (b) shall:

(1) deliver a signed statement to the county assessor stating that the mobile home or manufactured home:
(A) will be dismantled or destroyed either at its present site or at a remote site; and
(B) will not be used again as a dwelling or other shelter; and
(2) dismantle or destroy the mobile home or manufactured home and not use the mobile home or manufactured home as a structure after the issuance date of the letter waiving property taxes.

(d) The county auditor shall remove from the tax duplicate the property taxes, special assessments, interest, penalties, and costs for which a waiver is granted under this section.

SECTION 14. IC 6-1.1-12-9, AS AMENDED BY P.L.144-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's ~~real property, or mobile home or manufactured home which is not assessed as real property,~~ **homestead** if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year **immediately** preceding the year in which the ~~deduction is claimed,~~ **property taxes are first due and payable.**
(2) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:
(A) the individual and the individual's spouse; or
(B) the individual and all other individuals with whom:
(i) the individual shares ownership; or
(ii) the individual is purchasing the property under a contract;
as joint tenants or tenants in common;
for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars ($25,000);
(3) the individual has owned the ~~real property, mobile home, or manufactured home~~ **homestead** for at least one (1) year before claiming the deduction; or the individual has been buying the ~~real property, mobile home, or manufactured home~~ **homestead** under a contract that provides that the individual is to pay the property taxes on the ~~real property, mobile home, or manufactured home~~

homestead for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

(4) the individual and any individuals covered by subdivision (2)(B) reside on the ~~real property, mobile home, or manufactured home,~~ **homestead;**

(5) the assessed value of the ~~real property, mobile home, or manufactured home~~ **homestead** does not exceed one hundred eighty-two thousand four hundred thirty dollars ($182,430);

(6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, **26, 29, 30, 33, 34,** 37, **37.5,** and 38 of this chapter; and

(7) the person:

~~(1)~~ **(A)** owns the ~~real property, mobile home, or manufactured home,~~ **homestead;** or

~~(2)~~ **(B)** is buying the ~~real property, mobile home, or manufactured home~~ **homestead** under contract;

on the date the statement required by section 10.1 of this chapter is filed.

Subdivision (6) does not limit any credits that the person is otherwise eligible to receive under IC 6-1.1-20.6 or another law.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

(1) one-half (½) of the assessed value of the real property; or

(2) twelve thousand four hundred eighty dollars ($12,480).

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

(1) one-half (½) of the assessed value of the mobile home or manufactured home; or

(2) twelve thousand four hundred eighty dollars ($12,480).

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the ~~real property, mobile home, or manufactured home~~ **homestead** while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

(1) tenants by the entirety;

(2) joint tenants; or

(3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

(1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;

(3) the surviving spouse has not remarried; and

(4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through (a)(7).

(g) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section against that real property.

(h) In the case of tenants covered by subsection (a)(2)(B), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and the denominator is the total number of tenants.".

Delete pages 2 through 4.

Page 5, delete lines 1 through 6.

Page 7, delete lines 2 through 42, begin a new paragraph and insert:

"SECTION 17. IC 6-1.1-12-37, AS AMENDED BY P.L.146-2008, SECTION 115, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 37. (a) The following definitions apply throughout this section:

(1) "Dwelling" means any of the following:

(A) Residential real property improvements that an individual uses as the individual's residence, including a house or garage.

(B) A mobile home that is not assessed as real property that an individual uses as the individual's residence.

(C) A manufactured home that is not assessed as real property that an individual uses as the individual's residence.

(2) "Homestead" means an individual's principal place of residence: ~~that:~~

(A) **that** is located in Indiana;

(B) ~~the individual:~~ **that:**

(i) **the individual** owns;

(ii) **the individual** is buying under a contract, recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence; ~~or~~

(iii) **the individual** is entitled to occupy as a tenant-stockholder (as defined in 26 U.S.C. 216) of a cooperative housing corporation (as defined in 26 U.S.C. 216); **or**

(iv) is a residence described in section 17.9 of this chapter that is owned by a trust in which the individual has a beneficial interest; and

(C) **that** consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

(b) Each year ~~an individual who on March 1 of a particular year or, in the case of a mobile home that is assessed as personal property, the immediately following January 15, either owns or is buying a homestead under a contract, recorded in the county recorder's office, that provides the individual is to pay property taxes on~~ the **individual or entity obligated to pay property taxes on a** homestead **for a particular assessment date** is entitled to a standard deduction from the assessed value of the homestead **for that assessment date. The deduction provided by this section applies only if the individual has an interest in the homestead described in subsection (a)(2)(B) on:**

(1) the assessment date, if section 17.8 of this chapter applies; or

(2) the date that a statement is filed under subsection (e) or section 44 of this chapter, if section 17.8 of this chapter does not apply.

Subject to subsection (c), the auditor of the county shall record and make the deduction for the ~~person~~ **individual or entity** qualifying for the deduction.

(c) ~~Except as provided in section 40.5 of this chapter,~~ The total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

(1) sixty percent (60%) of the assessed value of the ~~real property, mobile home not assessed as real property, or manufactured home not assessed as real~~ property **that constitutes the homestead;** or

(2) forty-five thousand dollars ($45,000).

~~2010,~~ **If the homestead consists of a mobile home or manufactured home that is assessed as personal property, the deduction under this section shall be applied to the mobile**

home or manufactured home after applying other deductions to which the mobile home or manufactured home is eligible under this chapter until the maximum permissible deduction permitted under section 40.5 of this chapter is reached. If the homestead also includes real estate surrounding the mobile home or manufactured home, the excess amount of the deduction under this chapter that is not applied to the mobile home or manufactured home shall be applied to the real property until the maximum permissible deduction permitted under this section is reached.

(d) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(e) **Except as provided in sections 17.8 and 44 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by this section must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include the parcel number or key number of the property and the name of the city, town, or township in which the property is located. The statement may be filed in person or by mail. If the statement is mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the deduction is allowed. An individual who wishes to claim the deduction must list on the statement the name of any other county and township in which the individual owns or is buying residential real property. With respect to real property, the person must file the statement during the year for which the person desires to obtain the deduction. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires to obtain the deduction. If an individual who is receiving the deduction provided by this chapter changes the use of the individual's property so that part or all of the property no longer qualifies for the deduction under this section, the individual shall file a certified statement with the auditor of the county, notifying the auditor of the change of use, not more than sixty (60) days after the date of that change. An individual who changes the use of the individual's property and fails to file the statement required by this subsection is liable for any additional taxes that would have been due on the property if the individual had filed the statement as required by this subsection.** The department of local government finance shall adopt rules or guidelines concerning the application for a deduction under this section, **including any application procedures necessary to prevent an individual from simultaneously claiming more than one (1) deduction under this section.**

(f) The county auditor may not grant an individual or a married couple a deduction under this section if:

(1) the individual or married couple, for the same year, claims the deduction on two (2) or more different applications for the deduction; and

(2) the applications claim the deduction for different property.".

Delete page 8.

Page 9, delete lines 1 through 20.

Page 11, delete lines 26 through 42, begin a new paragraph and insert:

"SECTION 19. IC 6-1.1-12-44, AS ADDED BY P.L.144-2008, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 44. (a) A sales disclosure form under IC 6-1.1-5.5:

(1) that is submitted:

(A) as a paper form; or

(B) electronically;

on or before December 31 of a calendar year to the county assessor by or on behalf of the purchaser of a homestead (as defined in ~~IC 6-1.1-20.9-1)~~ **section 37 of this chapter)** assessed as real property;

(2) that is accurate and complete;

(3) that is approved by the county assessor as eligible for filing with the county auditor; and

(4) that is filed:

(A) as a paper form; or

(B) electronically;

with the county auditor by or on behalf of the purchaser;

constitutes an application for the deductions provided by sections 26, 29, 33, ~~and~~ 34, **and 37** of this chapter with respect to property taxes first due and payable in the calendar year that immediately succeeds the calendar year referred to in subdivision (1).

(b) Except as provided in subsection (c), if:

(1) the county auditor receives ~~in a calendar year~~ a sales disclosure form that meets the requirements of subsection (a); and

(2) the homestead for which the sales disclosure form is submitted is otherwise eligible for a deduction referred to in subsection (a);

the county auditor shall apply the deduction to the homestead for property taxes first due and payable in the calendar year for which the homestead qualifies under subsection (a) and in any later year in which the homestead remains eligible for the deduction.

(c) Subsection (b) does not apply if the county auditor, after receiving a sales disclosure form from or on behalf of a purchaser under subsection (a)(4), determines that the homestead is ineligible for the deduction.".

Page 12, delete lines 1 through 18, begin a new paragraph and insert:

"SECTION 20. IC 6-1.1-16-1, AS AMENDED BY P.L.146-2008, SECTION 144, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 1. (a) **Subject to subsection (f) and** except as provided in section 2 of this chapter, an assessing official or county property tax assessment board of appeals may not change the assessed value claimed by a taxpayer on a personal property return unless the assessing official or county property tax assessment board of appeals takes the action and gives the notice required by IC 6-1.1-3-20 within the following periods:

(1) A township assessor (if any) must make a change in the assessed value and give the notice of the change on or before the later of:

(A) September 15 of the year for which the assessment is made; or

(B) four (4) months from the date the personal property return is filed if the return is filed after May 15 of the year for which the assessment is made.

(2) A county assessor or county property tax assessment board of appeals must make a change in the assessed value, including the final determination by the board of an assessment changed by an assessing official, and give the notice of the change on or before the later of:

(A) October 30 of the year for which the assessment is made; or

(B) five (5) months from the date the personal property return is filed if the return is filed after May 15 of the year for which the assessment is made.

(3) The department of local government finance must make

a preliminary change in the assessed value and give the notice of the change on or before the later of:

(A) October 1 of the year immediately following the year for which the assessment is made; or

(B) sixteen (16) months from the date the personal property return is filed if the return is filed after May 15 of the year for which the assessment is made.

(b) **Subject to subsection (f) and** except as provided in section 2 of this chapter, if an assessing official or a county property tax assessment board of appeals fails to change an assessment and give notice of the change within the time prescribed by this section, the assessed value claimed by the taxpayer on the personal property return is final.

(c) This section does not limit the authority of a county auditor to correct errors in a tax duplicate under IC 6-1.1-15-12.

(d) This section does not apply if the taxpayer:

(1) fails to file a personal property return which substantially complies with this article and the regulations of the department of local government finance; or

(2) files a fraudulent personal property return with the intent to evade the payment of property taxes.

(e) A taxpayer may appeal a preliminary determination of the department of local government finance under subsection (a)(3) to the Indiana board. An appeal under this subdivision shall be conducted in the same manner as an appeal under IC 6-1.1-15-4 through IC 6-1.1-15-8. A preliminary determination that is not appealed under this subsection is a final unappealable order of the department of local government finance.

(f) Subsections (a) and (b) do not apply to a change in the assessed value of personal property that results from the resolution of an appeal under IC 6-1.1-15.".

Page 13, delete lines 41 through 42, begin a new paragraph and insert:

"SECTION 22. IC 6-1.1-17-20, AS AMENDED BY P.L.146-2008, SECTION 163, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 20. (a) This section applies

~~(1)~~ to each governing body of a taxing unit that:

(1) is not comprised of a majority of officials who are elected to serve on the governing body; and

(2) ~~if the~~ **either:**

(A) is:

(i) a conservancy district subject to IC 14-33-9;

(ii) a solid waste management district subject to IC 13-21; or

(iii) a fire protection district subject to IC 36-8-11-18; or

(B) has a percentage increase in the proposed budget for the taxing unit for the ensuing calendar year **that** is more than the result of:

~~(A)~~ **(i)** the ~~assessed value~~ **levy** growth ~~quotient determined under IC 6-1.1-18.5-2~~ **multiplier** for the ensuing calendar year; minus

~~(B)~~ **(ii)** one (1).

For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.

(b) As used in this section, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, except that the term does not include:

(1) a school corporation; or

(2) an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) This subsection does not apply to a public library. If:

(1) the assessed valuation of a taxing unit is entirely contained within a city or town; or

(2) the assessed valuation of a taxing unit is not entirely contained within a city or town but the taxing unit was originally established by the city or town;

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body. The proposed budget and levy shall be submitted at least ~~fourteen (14)~~ **thirty (30)** days before the city or town fiscal body is required to hold budget approval hearings under this chapter.

(d) If subsection (c) does not apply, the governing body of the taxing unit shall submit its proposed budget and property tax levy to the county fiscal body in the county where the taxing unit has the most assessed valuation. The proposed budget and levy shall be submitted at least ~~fourteen (14)~~ **thirty (30)** days before the county fiscal body is required to hold budget approval hearings under this chapter.

(e) The fiscal body of the city, town, or county (whichever applies) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the taxing unit. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

(f) If a taxing unit fails to file the information required in subsection (c) or (d), whichever applies, with the appropriate fiscal body by the time prescribed by this section, the most recent annual appropriations and annual tax levy of that taxing unit are continued for the ensuing budget year.

(g) If the appropriate fiscal body fails to complete the requirements of subsection (e) before the adoption deadline in section 5 of this chapter for any taxing unit subject to this section, the most recent annual appropriations and annual tax levy of the city, town, or county, whichever applies, are continued for the ensuing budget year.

SECTION 23. IC 6-1.1-17-20.5, AS ADDED BY P.L.146-2008, SECTION 164, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 20.5. (a) This section applies to the governing body of a taxing unit unless a majority of the governing body is comprised of officials who are elected to serve on the governing body. **For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.**

(b) As used in this section, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, except that the term does not include:

(1) a school corporation; or

(2) an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) **This subsection does not apply to a public library.** If:

(1) the assessed valuation of a taxing unit is entirely contained within a city or town; or

(2) the assessed valuation of a taxing unit is not entirely contained within a city or town but the taxing unit was originally established by the city or town;

the governing body of the taxing unit may not issue bonds or enter into a lease payable in whole or in part from property taxes unless it obtains the approval of the city or town fiscal body.

(d) This subsection applies to a taxing unit not described in subsection (c). The governing body of the taxing unit may not issue bonds or enter into a lease payable in whole or in part from property taxes unless it obtains the approval of the county fiscal body in the county where the taxing unit has the most net assessed valuation.

SECTION 24. IC 6-1.1-18-2, AS AMENDED BY P.L.146-2008, SECTION 165, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. ~~(a) Before January 1, 2009, the state may not impose a combined ad valorem property tax rate on tangible property that exceeds the sum of the ad valorem property tax rates permitted under~~

~~IC 4-9.1-1-8, IC 14-23-3-3, and IC 15-1.5-7-3 (before July 1, 2008) and IC 15-13-8-3 (after June 30, 2008, and before January 1, 2009). The state tax rate is not subject to review by county boards of tax adjustment or county auditors.~~

~~(b)~~ **(a)** Except as permitted under IC 4-9.1-1-8 to repay notes issued to meet casual deficits in state revenue, the state may not impose an ad valorem property tax rate on tangible property after December 31, 2008.

~~(c)~~ **(b)** This section does not apply to political subdivisions of the state.

SECTION 25. IC 6-1.1-18.5-2, AS AMENDED BY P.L.1-2008, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) As used in this section, "Indiana nonfarm personal income" means the estimate of total nonfarm personal income for Indiana in a calendar year as computed by the federal Bureau of Economic Analysis using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Economic Analysis.

(b) Subject to subsection (c), for purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, the civil taxing unit shall use the ~~assessed value~~ **levy** growth ~~quotient~~ **multiplier** determined in the last STEP of the following STEPS:

STEP ONE: For each of the six (6) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, divide the Indiana nonfarm personal income for the calendar year by the Indiana nonfarm personal income for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

STEP TWO: Determine the sum of the STEP ONE results.

STEP THREE: Divide the STEP TWO result by six (6), rounding to the nearest one-thousandth (0.001).

STEP FOUR: Determine the lesser of the following:

(A) The STEP THREE quotient.

(B) One and six-hundredths (1.06).

(c) This subsection applies only to civil taxing units in Lake County. Notwithstanding any other provision, for property taxes first due and payable after December 31, 2007, the ~~assessed value~~ **levy** growth ~~quotient~~ **multiplier** used to determine a civil taxing unit's maximum permissible ad valorem property tax levy under this chapter for a particular calendar year is one (1) unless a tax rate of one percent (1%) will be in effect under IC 6-3.5-1.1-26 or IC 6-3.5-6-32 in Lake County for that calendar year.

SECTION 26. IC 6-1.1-18.5-3, AS AMENDED BY P.L.146-2008, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) A civil taxing unit that is treated as not being located in an adopting county under section 4 of this chapter may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Add the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year to the part of the civil taxing unit's certified share, if any, that was used to reduce the civil taxing unit's ad valorem property tax levy under STEP EIGHT of subsection (b) for that preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the ~~amount determined in the last STEP of section 2(b) of this chapter.~~ **levy growth multiplier.**

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient (rounded to the nearest ten-thousandth (0.0001)), of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year, divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

STEP FOUR: Determine the greater of the amount determined in STEP THREE or one (1).

STEP FIVE: Multiply the amount determined in STEP TWO by the amount determined in STEP FOUR.

STEP SIX: Add the amount determined under STEP TWO to the amount determined under subsection (c).

STEP SEVEN: Determine the greater of the amount determined under STEP FIVE or the amount determined under STEP SIX.

(b) Except as otherwise provided in this chapter, a civil taxing unit that is treated as being located in an adopting county under section 4 of this chapter may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Add the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year to the part of the civil taxing unit's certified share, if any, used to reduce the civil taxing unit's ad valorem property tax levy under STEP EIGHT of this subsection for that preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the ~~amount determined in the last STEP of section 2(b) of this chapter.~~ **levy growth multiplier.**

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

STEP FOUR: Determine the greater of the amount determined in STEP THREE or one (1).

STEP FIVE: Multiply the amount determined in STEP TWO by the amount determined in STEP FOUR.

STEP SIX: Add the amount determined under STEP TWO to the amount determined under subsection (c).

STEP SEVEN: Determine the greater of the amount determined under STEP FIVE or the amount determined under STEP SIX.

STEP EIGHT: Subtract the amount determined under STEP FIVE of subsection (e) from the amount determined under STEP SEVEN of this subsection.

(c) The amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as applicable, equals the sum of the following:

(1) If a civil taxing unit in the immediately preceding calendar year provided an area outside its boundaries with services on a contractual basis and in the ensuing calendar year that area has been annexed by the civil taxing unit, the amount paid by the annexed area during the immediately preceding calendar year for services that the civil taxing unit must provide to that area during the ensuing calendar year as a result of the annexation.

(2) If the civil taxing unit has had an excessive levy appeal approved under section ~~13(a)(1)~~ **13(1)** of this chapter for the ensuing calendar year, an amount determined by the civil taxing unit for the ensuing calendar year that does not exceed the amount of that excessive levy.

In all other cases, the amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as the case may be, equals zero (0).

(d) This subsection applies only to civil taxing units located in a county having a county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) of one percent (1%) as of January 1 of the ensuing calendar year. For each civil taxing unit, the amount to be added to the amount determined in subsection (e), STEP FOUR, is determined using the following formula:

STEP ONE: Multiply the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year by two percent (2%).

STEP TWO: For the determination year, the amount to be used as the STEP TWO amount is the amount determined in subsection (f) for the civil taxing unit. For each year following the determination year the STEP TWO amount is the lesser of:

(A) the amount determined in STEP ONE; or

(B) the amount determined in subsection (f) for the civil taxing unit.

STEP THREE: Determine the greater of:

(A) zero (0); or

(B) the civil taxing unit's certified share for the ensuing calendar year minus the greater of:

(i) the civil taxing unit's certified share for the calendar year that immediately precedes the ensuing calendar year; or

(ii) the civil taxing unit's base year certified share.

STEP FOUR: Determine the greater of:

(A) zero (0); or

(B) the amount determined in STEP TWO minus the amount determined in STEP THREE.

Add the amount determined in STEP FOUR to the amount determined in subsection (e), STEP THREE, as provided in subsection (e), STEP FOUR.

(e) For each civil taxing unit, the amount to be subtracted under subsection (b), STEP EIGHT, is determined using the following formula:

STEP ONE: Determine the lesser of the civil taxing unit's base year certified share for the ensuing calendar year, as determined under section 5 of this chapter, or the civil taxing unit's certified share for the ensuing calendar year.

STEP TWO: Determine the greater of:

(A) zero (0); or

(B) the remainder of:

(i) the amount of federal revenue sharing money that was received by the civil taxing unit in 1985; minus

(ii) the amount of federal revenue sharing money that will be received by the civil taxing unit in the year preceding the ensuing calendar year.

STEP THREE: Determine the lesser of:

(A) the amount determined in STEP TWO; or

(B) the amount determined in subsection (f) for the civil taxing unit.

STEP FOUR: Add the amount determined in subsection (d), STEP FOUR, to the amount determined in STEP THREE.

STEP FIVE: Subtract the amount determined in STEP FOUR from the amount determined in STEP ONE.

(f) As used in this section, a taxing unit's "determination year" means the latest of:

(1) calendar year 1987, if the taxing unit is treated as being located in an adopting county for calendar year 1987 under section 4 of this chapter;

(2) the taxing unit's base year, as defined in section 5 of this chapter, if the taxing unit is treated as not being located in an adopting county for calendar year 1987 under section 4 of this chapter; or

(3) the ensuing calendar year following the first year that the taxing unit is located in a county that has a county adjusted gross income tax rate of more than one-half percent (0.5%) on July 1 of that year.

The amount to be used in subsections (d) and (e) for a taxing unit depends upon the taxing unit's certified share for the ensuing calendar year, the taxing unit's determination year, and the county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) that is in effect in the taxing unit's county on July 1 of the year preceding the ensuing calendar year. For the determination year and the ensuing calendar years following the taxing unit's determination year, the amount is the taxing unit's certified share for the ensuing calendar year multiplied by the appropriate factor prescribed in the following table:

COUNTIES WITH A TAX RATE OF ½%

Year	Subsection (e) Factor
For the determination year and each ensuing calendar year following the determination year	0

COUNTIES WITH A TAX RATE OF 3/4%

Year	Subsection (e) Factor
For the determination year and each ensuing calendar year following the determination year	½

COUNTIES WITH A TAX RATE OF 1.0%

Year	Subsection (d) Factor	Subsection (e) Factor
For the determination year	1/6	1/3
For the ensuing calendar year following the determination year	1/4	1/3
For the ensuing calendar year following the determination year by two (2) years	1/3	1/3

(g) This subsection applies only to property taxes first due and payable after December 31, 2007. This subsection applies only to a civil taxing unit that is located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30. Notwithstanding any provision in this section or any other section of this chapter and except as provided in subsection (h), the maximum permissible ad valorem property tax levy calculated under this section for the ensuing calendar year for a civil taxing unit subject to this section is equal to the civil taxing unit's maximum permissible ad valorem property tax levy for the current calendar year.

(h) This subsection applies only to property taxes first due and payable after December 31, 2007. In the case of a civil taxing unit that:

(1) is partially located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30; and

(2) is partially located in a county that is not described in subdivision (1);

the department of local government finance shall, notwithstanding subsection (g), adjust the portion of the civil taxing unit's maximum permissible ad valorem property tax levy that is attributable (as determined by the department of local government finance) to the county or counties described in subdivision (2). The department of local government finance shall adjust this portion of the civil taxing unit's maximum permissible ad valorem property tax levy so that, notwithstanding subsection (g), this portion is allowed to increase as otherwise provided in this section. If the department of local government finance increases the civil taxing unit's maximum permissible ad valorem property tax levy under this subsection, any additional property taxes imposed by the civil taxing unit under the adjustment shall be paid only by the taxpayers in the county or counties described in subdivision (2).

SECTION 27. IC 6-1.1-18.5-8, AS AMENDED BY P.L.146-2008, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8. ~~(a)~~ The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit if the civil taxing unit is committed to levy the taxes to pay or fund either:

(1) bonded indebtedness; or

(2) lease rentals under a lease with an original term of at least five (5) years.

~~(b) Except as provided by subsections (g) and (h), a civil taxing unit must file a petition requesting approval from the department of local government finance to incur bonded indebtedness or execute a lease with an original term of at least five (5) years not later than twenty-four (24) months after the first date of publication of notice of a preliminary determination under IC 6-1.1-20-3.1(2) (as in effect before July 1, 2008), unless the civil taxing unit demonstrates that a longer period is reasonable in light of the civil taxing unit's facts and circumstances. A civil taxing unit must obtain approval from the department of local government finance before the civil taxing unit may:~~

~~(1) incur the bonded indebtedness; or~~

~~(2) enter into the lease.~~

~~The department of local government finance may seek recommendations from the local government tax control board established by section 11 of this chapter when determining whether to authorize incurring the bonded indebtedness or the execution of the lease.~~

~~(c) The department of local government finance shall render a decision within three (3) months after the date it receives a request for approval under subsection (b). However, the department of local government finance may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the department sends notice of the extension to the executive officer of the civil taxing unit. A civil taxing unit may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under this section.~~

~~(d) A civil taxing unit does not need approval under subsection (b) to obtain temporary loans made in anticipation of and to be paid from current revenues of the civil taxing unit actually levied and in the course of collection for the fiscal year in which the loans are made.~~

~~(e) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a calendar year does not include that part of its levy that is committed to fund or pay bond indebtedness or lease rentals with an original term of five (5) years in subsection (a).~~

~~(f) A taxpayer may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than thirty (30) days after the department enters its order under this section.~~

~~(g) This subsection applies only to bonds, leases, and other obligations for which a civil taxing unit:~~

~~(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or~~

~~(2) in the case of bonds, leases, or other obligations payable from ad valorem property taxes but not described in subdivision (1), adopts a resolution or ordinance authorizing the bonds, lease rental agreement, or other obligations after June 30, 2008.~~

~~Notwithstanding any other provision, review by the department of local government finance and approval by the department of local government finance is not required before a civil taxing unit may issue or enter into bonds, a lease, or any other obligation.~~

~~(h) This subsection applies after June 30, 2008. Notwithstanding any other provision, review by the department of local government finance and approval by the department of local government finance is not required before a civil taxing unit may construct, alter, or repair a capital project.~~

SECTION 28. IC 6-1.1-18.5-9.8, AS AMENDED BY P.L.219-2007, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9.8. ~~(a)~~ For purposes of determining the property tax levy limit imposed on a city, town, or county under section 3 of this chapter, the city, town, or county's ad valorem property tax levy for a particular calendar year does not include an amount equal to the lesser of:

(1) the amount of ad valorem property taxes that would be first due and payable to the city, town, or county during the ensuing calendar year if the taxing unit imposed the maximum permissible property tax rate per one hundred dollars ($100) of assessed valuation that the civil taxing unit may impose for the particular calendar year under the authority of IC 36-9-14.5 (in the case of a county) or IC 36-9-15.5 (in the case of a city or town); or

(2) the excess, if any, of:

(A) the property taxes imposed by the city, town, or county under the authority of:

IC 3-11-6-9;
IC 8-16-3;
IC 8-16-3.1;
IC 8-22-3-25;
IC 14-27-6-48;
IC 14-33-9-3;
IC 16-22-8-41;
IC 16-22-5-2 through IC 16-22-5-15;
IC 16-23-1-40;
IC 36-8-14;
IC 36-9-4-48;
IC 36-9-14;
IC 36-9-14.5;
IC 36-9-15;
IC 36-9-15.5;
IC 36-9-16;
IC 36-9-16.5;
IC 36-9-17;
IC 36-9-26;
IC 36-9-27-100;
IC 36-10-3-21; or
IC 36-10-4-36;

that are first due and payable during the ensuing calendar year; over

(B) the property taxes imposed by the city, town, or county under the authority of the citations listed in clause (A) that were first due and payable during calendar year 1984.

~~(b) The maximum property tax rate levied under the statutes listed in subsection (a) must be adjusted each year to account for the change in assessed value of real property that results from:~~

~~(1) an annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5; or~~

~~(2) a general reassessment of real property under IC 6-1.1-4-4.~~

~~(c) The new maximum rate under a statute listed in subsection (a) is the tax rate determined under STEP SEVEN of the following formula:~~

~~STEP ONE: Determine the maximum rate for the political subdivision levying a property tax under the statute for the year preceding the year in which the annual adjustment or general reassessment takes effect.~~

~~STEP TWO: Determine the actual percentage increase (rounded to the nearest one-hundredth percent (0.01%)) in~~

~~the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property from the year preceding the year the annual adjustment or general reassessment takes effect to the year that the annual adjustment or general reassessment is effective.~~

~~STEP THREE: Determine the three (3) calendar years that immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first become effective.~~

~~STEP FOUR: Compute separately, for each of the calendar years determined in STEP THREE, the actual percentage increase (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property from the preceding year.~~

~~STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).~~

~~STEP SIX: Determine the greater of the following:~~

~~(A) Zero (0).~~

~~(B) The result of the STEP TWO percentage minus the STEP FIVE percentage.~~

~~STEP SEVEN: Determine the quotient of the STEP ONE tax rate divided by the sum of one (1) plus the STEP SIX percentage increase.~~

~~(d) The department of local government finance shall compute the maximum rate allowed under subsection (c) and provide the rate to each political subdivision with authority to levy a tax under a statute listed in subsection (a).~~

SECTION 29. IC 6-1.1-18.5-10, AS AMENDED BY P.L.146-2008, SECTION 174, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 10. (a) ~~Subject to subsection (d),~~ The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit to be used to fund:

(1) community mental health centers under:

(A) IC 12-29-2-1.2, for only those civil taxing units that authorized financial assistance under IC 12-29-1 before 2002 for a community mental health center as long as the tax levy under this section does not exceed the levy authorized in 2002;

(B) IC 12-29-2-2 through IC 12-29-2-5; and

(C) IC 12-29-2-13; or

(2) community mental retardation and other developmental disabilities centers under IC 12-29-1-1;

to the extent that those property taxes are attributable to any increase in the assessed value of the civil taxing unit's taxable property caused by a general reassessment of real property that took effect after February 28, 1979.

(b) ~~Subject to subsection (d),~~ For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy described in subsection (a).

~~(c) This subsection applies to property taxes first due and payable after December 31, 2008. Notwithstanding subsections (a) and (b) or any other law, any property taxes imposed by a civil taxing unit that are exempted by this section from the ad valorem property tax levy limits imposed by section 3 of this chapter may not increase annually by a percentage greater than the result of:~~

~~(1) the assessed value growth quotient determined under section 2 of this chapter, minus~~

~~(2) one (1).~~

~~(d) The exemptions under subsections (a) and (b) from the ad valorem property tax levy limits do not apply to a civil taxing unit that did not fund a community mental health center or community mental retardation and other developmental disabilities center in 2008.~~

SECTION 30. IC 6-1.1-18.5-10.5, AS AMENDED BY P.L.146-2008, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10.5. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit for fire protection services within a fire protection territory under IC 36-8-19, if the civil taxing unit is a participating unit in a fire protection territory established before August 1, 2001. For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter on a civil taxing unit that is a participating unit in a fire protection territory established before August 1, 2001, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 36-8-19.

(b) This subsection applies to a participating unit in a fire protection territory established under IC 36-8-19 after July 31, 2001. The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit for fire protection services within a fire protection territory under IC 36-8-19 for the three (3) calendar years in which the participating unit levies a tax to support the territory. For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter for the three (3) calendar years for which the participating unit levies a tax to support the territory, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 36-8-19.

(c) This subsection applies to property taxes first due and payable after December 31, 2008. **Except as provided in subsection (d),** notwithstanding subsections (a) and (b) or any other law, any property taxes imposed by a civil taxing unit that are exempted by this section from the ad valorem property tax levy limits imposed by section 3 of this chapter may not increase annually by a percentage greater than the result of:

(1) the ~~assessed value~~ **levy** growth ~~quotient determined under section 2 of this chapter,~~ **multiplier;** minus

(2) one (1).

(d) This subsection applies only to a participating unit in a fire protection territory established under IC 36-8-19 after December 31, 2005, and before January 1, 2008. A participating unit subject to this section may in 2009 appeal to the local government tax control board for an increase in the participating unit's maximum permissible property tax levy. The local government tax control board shall review and make a recommendation to the department of local government finance concerning the participating unit's appeal. The appeal shall be considered in the same manner as specified in section 12 of this chapter. The department of local government finance may grant the appeal and allow the participating unit to increase its levy in excess of the limitations established under section 3 of this chapter to meet the expenses of operation and maintenance of the fire protection services within the fire protection territory, plus a reasonable operating balance, not to exceed twenty percent (20%) of the budgeted expenses. An increase in a participating unit's maximum permissible property tax levy granted under this subsection applies to property taxes first due and payable in 2010 and in subsequent years.

(e) For purposes of allocating any:

(1) local option income tax distributions; or

(2) excise tax distributions;

that are distributed based on the amount of a civil taxing unit's property tax levies, property taxes imposed for a fire protection territory within a civil taxing unit that is a participating unit (as defined in IC 36-8-19-2) shall be considered property taxes levied by that civil taxing unit.

SECTION 31. IC 6-1.1-18.5-13, AS AMENDED BY P.L.146-2008, SECTION 180, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. With respect to an appeal filed under section 12 of this chapter, the local government tax control board may recommend that a civil taxing unit receive any one (1) or more of the following types of relief:

(1) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if in the judgment of the local government tax control board the increase is reasonably necessary due to increased costs of the civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services by the civil taxing unit to additional geographic areas or persons. With respect to annexation, consolidation, or other extensions of governmental services in a calendar year, if those increased costs are incurred by the civil taxing unit in that calendar year and more than one (1) immediately succeeding calendar year, the unit may appeal under section 12 of this chapter for permission to increase its levy under this subdivision based on those increased costs in any of the following:

(A) The first calendar year in which those costs are incurred.

(B) One (1) or more of the immediately succeeding four (4) calendar years.

(2) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to meet the civil taxing unit's share of the costs of operating a court established by statute enacted after December 31, 1973. Before recommending such an increase, the local government tax control board shall consider all other revenues available to the civil taxing unit that could be applied for that purpose. The maximum aggregate levy increases that the local government tax control board may recommend for a particular court equals the civil taxing unit's estimate of the unit's share of the costs of operating a court for the first full calendar year in which it is in existence. For purposes of this subdivision, costs of operating a court include:

(A) the cost of personal services (including fringe benefits);

(B) the cost of supplies; and

(C) any other cost directly related to the operation of the court.

(3) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the quotient determined under STEP SIX of the following formula is equal to or greater than one and two-hundredths (1.02):

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property or the initial annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5 does not first become effective.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing unit's total assessed value of all taxable property and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-42 in 2006;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in all counties under IC 6-1.1-12-42 in 2006;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount exceeds the percentage by which the civil taxing unit may increase its levy under section 3 of this chapter based on the ~~assessed value~~ **levy** growth ~~quotient determined under section 2 of this chapter.~~ **multiplier.**

(4) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to pay the costs of furnishing fire protection for the civil taxing unit through a volunteer fire department. For purposes of determining a township's need for an increased levy, the local government tax control board shall not consider the amount of money borrowed under IC 36-6-6-14 during the immediately preceding calendar year. However, any increase in the amount of the civil taxing unit's levy recommended by the local government tax control board under this subdivision for the ensuing calendar year may not exceed the lesser of:

(A) ten thousand dollars ($10,000); or

(B) twenty percent (20%) of:

(i) the amount authorized for operating expenses of a volunteer fire department in the budget of the civil taxing unit for the immediately preceding calendar year; plus

(ii) the amount of any additional appropriations authorized during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department under this chapter; minus

(iii) the amount of money borrowed under IC 36-6-6-14 during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department.

(5) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter in order to raise revenues for pension payments and contributions the civil taxing unit is required to make under IC 36-8. The maximum increase in a civil taxing unit's levy that may be recommended under

this subdivision for an ensuing calendar year equals the amount, if any, by which the pension payments and contributions the civil taxing unit is required to make under IC 36-8 during the ensuing calendar year exceeds the product of one and one-tenth (1.1) multiplied by the pension payments and contributions made by the civil taxing unit under IC 36-8 during the calendar year that immediately precedes the ensuing calendar year. For purposes of this subdivision, "pension payments and contributions made by a civil taxing unit" does not include that part of the payments or contributions that are funded by distributions made to a civil taxing unit by the state.

(6) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to increase its levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:

(A) the township's township assistance ad valorem property tax rate is less than one and sixty-seven hundredths cents ($0.0167) per one hundred dollars ($100) of assessed valuation; and

(B) the township needs the increase to meet the costs of providing township assistance under IC 12-20 and IC 12-30-4.

The maximum increase that the board may recommend for a township is the levy that would result from an increase in the township's township assistance ad valorem property tax rate of one and sixty-seven hundredths cents ($0.0167) per one hundred dollars ($100) of assessed valuation minus the township's ad valorem property tax rate per one hundred dollars ($100) of assessed valuation before the increase.

(7) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) the increase has been approved by the legislative body of the municipality with the largest population where the civil taxing unit provides public transportation services; and

(B) the local government tax control board finds that the civil taxing unit needs the increase to provide adequate public transportation services.

The local government tax control board shall consider tax rates and levies in civil taxing units of comparable population, and the effect (if any) of a loss of federal or other funds to the civil taxing unit that might have been used for public transportation purposes. However, the increase that the board may recommend under this subdivision for a civil taxing unit may not exceed the revenue that would be raised by the civil taxing unit based on a property tax rate of one cent ($0.01) per one hundred dollars ($100) of assessed valuation.

(8) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase the unit's levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:

(A) the civil taxing unit is:

(i) a county having a population of more than one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000);

(ii) a city having a population of more than fifty-five thousand (55,000) but less than fifty-nine thousand (59,000);

(iii) a city having a population of more than twenty-eight thousand seven hundred (28,700) but less than twenty-nine thousand (29,000);

(iv) a city having a population of more than fifteen thousand four hundred (15,400) but less than sixteen thousand six hundred (16,600); or

(v) a city having a population of more than seven thousand (7,000) but less than seven thousand three hundred (7,300); and

(B) the increase is necessary to provide funding to undertake removal (as defined in IC 13-11-2-187) and remedial action (as defined in IC 13-11-2-185) relating to hazardous substances (as defined in IC 13-11-2-98) in solid waste disposal facilities or industrial sites in the civil taxing unit that have become a menace to the public health and welfare.

The maximum increase that the local government tax control board may recommend for such a civil taxing unit is the levy that would result from a property tax rate of six and sixty-seven hundredths cents ($0.0667) for each one hundred dollars ($100) of assessed valuation. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular year does not include that part of the levy imposed under this subdivision. In addition, a property tax increase permitted under this subdivision may be imposed for only two (2) calendar years.

(9) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a county:

(A) having a population of more than eighty thousand (80,000) but less than ninety thousand (90,000) to increase the county's levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the county needs the increase to meet the county's share of the costs of operating a jail or juvenile detention center, including expansion of the facility, if the jail or juvenile detention center is opened after December 31, 1991;

(B) that operates a county jail or juvenile detention center that is subject to an order that:

(i) was issued by a federal district court; and

(ii) has not been terminated;

(C) that operates a county jail that fails to meet:

(i) American Correctional Association Jail Construction Standards; and

(ii) Indiana jail operation standards adopted by the department of correction; or

(D) that operates a juvenile detention center that fails to meet standards equivalent to the standards described in clause (C) for the operation of juvenile detention centers.

Before recommending an increase, the local government tax control board shall consider all other revenues available to the county that could be applied for that purpose. An appeal for operating funds for a jail or a juvenile detention center shall be considered individually, if a jail and juvenile detention center are both opened in one (1) county. The maximum aggregate levy increases that the local government tax control board may recommend for a county equals the county's share of the costs of operating the jail or a juvenile detention center for the first full calendar year in which the jail or juvenile detention center is in operation.

(10) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township needs the increase so that the property tax rate to pay the costs of furnishing fire protection for a township, or a portion of a township,

enables the township to pay a fair and reasonable amount under a contract with the municipality that is furnishing the fire protection. However, for the first time an appeal is granted the resulting rate increase may not exceed fifty percent (50%) of the difference between the rate imposed for fire protection within the municipality that is providing the fire protection to the township and the township's rate. A township is required to appeal a second time for an increase under this subdivision if the township wants to further increase its rate. However, a township's rate may be increased to equal but may not exceed the rate that is used by the municipality. More than one (1) township served by the same municipality may use this appeal.

(11) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township has been required, for the three (3) consecutive years preceding the year for which the appeal under this subdivision is to become effective, to borrow funds under IC 36-6-6-14 to furnish fire protection for the township or a part of the township. However, the maximum increase in a township's levy that may be allowed under this subdivision is the least of the amounts borrowed under IC 36-6-6-14 during the preceding three (3) calendar years. A township may elect to phase in an approved increase in its levy under this subdivision over a period not to exceed three (3) years. A particular township may appeal to increase its levy under this section not more frequently than every fourth calendar year.

(12) Permission to a city having a population of more than twenty-nine thousand (29,000) but less than thirty-one thousand (31,000) to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) an appeal was granted to the city under this section to reallocate property tax replacement credits under IC 6-3.5-1.1 in 1998, 1999, and 2000; and

(B) the increase has been approved by the legislative body of the city, and the legislative body of the city has by resolution determined that the increase is necessary to pay normal operating expenses.

The maximum amount of the increase is equal to the amount of property tax replacement credits under IC 6-3.5-1.1 that the city petitioned under this section to have reallocated in 2001 for a purpose other than property tax relief.

(13) A levy increase may be granted under this subdivision only for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if the civil taxing unit cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 of this chapter due to a natural disaster, an accident, or another unanticipated emergency.

SECTION 32. IC 6-1.1-20-1.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 1.4. ~~As used in~~ **The following definitions apply throughout** this chapter:

(1) "Lease rentals" means the payments required under a lease.

(2) "Loan" refers to contract, promise to pay, or other evidence of indebtedness of a political subdivision that:

(A) is payable from property taxes; and

(B) is not a bond, lease, or obligation.".

Delete pages 14 through 15.

Page 16, delete lines 1 through 5.

Page 16, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 34. IC 6-1.1-20-3.1, AS AMENDED BY P.L.146-2008, SECTION 191, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.1. (a) This section applies only to the following:

(1) A controlled project (as defined in section 1.1 of this chapter as in effect June 30, 2008) for which the proper officers of a political subdivision make a preliminary determination in the manner described in subsection (b) before July 1, 2008.

(2) An elementary school building, middle school building, or other school building for academic instruction that:

(A) is a controlled project;

(B) will be used for any combination of kindergarten through grade 8;

(C) will not be used for any combination of grade 9 through grade 12; and

(D) will not cost more than ten million dollars ($10,000,000).

(3) A high school building or other school building for academic instruction that:

(A) is a controlled project;

(B) will be used for any combination of grade 9 through grade 12;

(C) will not be used for any combination of kindergarten through grade 8; and

(D) will not cost more than twenty million dollars ($20,000,000).

(4) Any other controlled project that:

(A) is not a controlled project described in subdivision (1), (2), or (3); and

(B) will not cost the political subdivision more than the lesser of the following:

(i) Twelve million dollars ($12,000,000).

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that amount is at least one million dollars ($1,000,000).

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall:

(A) publish notice in accordance with IC 5-3-1; and

(B) send notice by first class mail to any organization that delivers to the officers, before January 1 of that year, an annual written request for such notices;

of any meeting to consider adoption of a resolution or an ordinance making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on a preliminary determination before adoption of the resolution or ordinance.

(2) When the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease for a controlled project, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in subdivision (1)(B).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease for a controlled project must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that any owners of real property within

the political subdivision or registered voters residing within the political subdivision who want to initiate a petition and remonstrance process against the proposed debt service or lease payments must file a petition that complies with subdivisions (4) and (5) not later than thirty (30) days after publication in accordance with IC 5-3-1.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to incur annually to operate the facility.

(G) A statement of whether the school corporation expects to appeal for a new facility adjustment (as defined in IC 20-45-1-16 before January 1, 2009) for an increased maximum permissible tuition support levy to pay the estimated costs described in clause (F).

(H) The political subdivision's current debt service levy and rate and the estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(4) After notice is given, a petition requesting the application of a petition and remonstrance process may be filed by the lesser of:

(A) one hundred (100) persons who are either owners of real property within the political subdivision or registered voters residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of real property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of real property or registered voters and may be allowed to pick up additional copies to distribute to other property owners or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of real property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as a real property owner must indicate the address of the real property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. The county voter registration office shall not more than fifteen (15) business days after receiving a petition forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of real property in the political subdivision; and

(B) whether a person who signed the petition as an owner of real property within the political subdivision does in fact own real property within the political subdivision.

(9) The county voter registration office shall not more than ten (10) business days after receiving the statement from the county auditor under subdivision (8) make the final determination of the number of petitioners that are registered voters in the political subdivision and, based on the statement provided by the county auditor, the number of petitioners that own real property within the political subdivision. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular petition and remonstrance process under this chapter, regardless of whether the person owns more than one (1) parcel of real property within the subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of real property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within ~~thirty-five (35)~~ **forty-five (45)** days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting a petition and remonstrance process.

The certificate must state the number of petitioners that are owners of real property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

If a sufficient petition requesting a petition and remonstrance process is not filed by owners of real property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

SECTION 35. IC 6-1.1-20-3.2, AS AMENDED BY P.L.146-2008, SECTION 192, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3.2. (a) This section applies only to controlled projects described in section 3.1(a) of this chapter.

(b) If a sufficient petition requesting the application of a petition and remonstrance process has been filed as set forth in section 3.1 of this chapter, a political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of the political subdivision shall give notice of the applicability of the petition and remonstrance process by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in section 3.1(b)(1)(B) of this chapter.

A notice under this subdivision must include a statement that any owners of real property within the political subdivision or registered voters residing within the political subdivision who want to petition in favor of or remonstrate against the proposed debt service or lease payments must file petitions and remonstrances in compliance with subdivisions (2) through (4) not earlier than thirty (30) days or later than sixty (60) days after publication in accordance with IC 5-3-1.

(2) Not earlier than thirty (30) days or later than sixty (60) days after the notice under subdivision (1) is given:

(A) petitions (described in subdivision (3)) in favor of the bonds or lease; and

(B) remonstrances (described in subdivision (3)) against the bonds or lease;

may be filed by an owner or owners of real property within the political subdivision or a registered voter residing within the political subdivision. Each signature on a petition must be dated, and the date of signature may not be before the date on which the petition and remonstrance forms may be issued under subdivision (3). A petition described in clause (A) or a remonstrance described in clause (B) must be verified in compliance with subdivision (4) before the petition or remonstrance is filed with the county voter registration office under subdivision (4).

(3) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition and remonstrance forms to be used solely in the petition and remonstrance process described in this section. The county voter registration office shall issue to an owner or owners of real property within the political subdivision or a registered voter residing within the political subdivision the number of petition or remonstrance forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature;

(D) govern the closing date for the petition and remonstrance period; and

(E) apply to the carrier under section 10 of this chapter.

Persons requesting forms may be required to identify themselves as owners of real property or registered voters and may be allowed to pick up additional copies to distribute to other property owners or registered voters. Each person signing a petition or remonstrance must indicate whether the person is signing the petition or remonstrance as a registered voter within the political subdivision or is signing the petition or remonstrance as the owner of real property within the political subdivision. A person who signs a petition or remonstrance as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition or remonstrance as a real property owner must indicate the address of the real property owned by the person in the political subdivision. The county voter registration office may not issue a petition or remonstrance form earlier than twenty-nine (29) days after the notice is given under subdivision (1). The county voter registration office shall certify the date of issuance on each petition or remonstrance form that is distributed under this subdivision.

(4) The petitions and remonstrances must be verified in the manner prescribed by the state board of accounts and filed with the county voter registration office within the sixty (60) day period described in subdivision (2) in the manner set forth in section 3.1 of this chapter relating to requests for a petition and remonstrance process.

(5) The county voter registration office shall determine whether each person who signed the petition or remonstrance is a registered voter. The county voter registration office shall not more than fifteen (15) business days after receiving a petition or remonstrance forward a copy of the petition or remonstrance to the county auditor. Not more than ten (10) business days after receiving the copy of the petition or remonstrance, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition or remonstrance as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of real property in the political subdivision; and

(B) whether a person who signed the petition or remonstrance as an owner of real property within the political subdivision does in fact own real property within the political subdivision.

(6) The county voter registration office shall not more than ten (10) business days after receiving the statement from the county auditor under subdivision (5) make the final determination of:

(A) the number of registered voters in the political subdivision that signed a petition and, based on the statement provided by the county auditor, the number of owners of real property within the political subdivision that signed a petition; and

(B) the number of registered voters in the political subdivision that signed a remonstrance and, based on the statement provided by the county auditor, the number of owners of real property within the political subdivision that signed a remonstrance.

Whenever the name of an individual who signs a petition or remonstrance as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the

signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition or remonstrance under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition or remonstrance only one (1) time in a particular petition and remonstrance process under this chapter, regardless of whether the person owns more than one (1) parcel of real property within the subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of real property within the political subdivision. Notwithstanding any other provision of this section, if a petition or remonstrance is presented to the county voter registration office within ~~thirty-five (35)~~ **forty-five (45)** days before an election, the county voter registration office may defer acting on the petition or remonstrance, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(7) The county voter registration office must file a certificate and the petition or remonstrance with the body of the political subdivision charged with issuing bonds or entering into leases within thirty-five (35) business days of the filing of a petition or remonstrance under subdivision (4), whichever applies, containing ten thousand (10,000) signatures or less. The county voter registration office may take an additional five (5) days to review and certify the petition or remonstrance for each additional five thousand (5,000) signatures up to a maximum of sixty (60) days. The certificate must state the number of petitioners and remonstrators that are owners of real property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

(8) If a greater number of persons who are either owners of real property within the political subdivision or registered voters residing within the political subdivision sign a remonstrance than the number that signed a petition, the bonds petitioned for may not be issued or the lease petitioned for may not be entered into. The proper officers of the political subdivision may not make a preliminary determination to issue bonds or enter into a lease for the controlled project defeated by the petition and remonstrance process under this section or any other controlled project that is not substantially different within one (1) year after the date of the county voter registration office's certificate under subdivision (7). Withdrawal of a petition carries the same consequences as a defeat of the petition.

(9) After a political subdivision has gone through the petition and remonstrance process set forth in this section, the political subdivision is not required to follow any other remonstrance or objection procedures under any other law (including section 5 of this chapter) relating to bonds or leases designed to protect owners of real property within the political subdivision from the imposition of property taxes to pay debt service or lease rentals. ~~However, the political subdivision must still receive the approval of the department of local government finance if required by:~~

~~(A) IC 6-1.1-18.5-8; or~~

~~(B) IC 20-46-7-8, IC 20-46-7-9, and IC 20-46-7-10.~~

SECTION 36. IC 6-1.1-20-3.5, AS ADDED BY P.L.146-2008, SECTION 193, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) This section applies only to a controlled project that meets the following conditions:

(1) The controlled project is described in one (1) of the following categories:

(A) An elementary school building, middle school building, or other school building for academic instruction that:

(i) will be used for any combination of kindergarten through grade 8;

(ii) will not be used for any combination of grade 9 through grade 12; and

(iii) will cost more than ten million dollars ($10,000,000).

(B) A high school building or other school building for academic instruction that:

(i) will be used for any combination of grade 9 through grade 12;

(ii) will not be used for any combination of kindergarten through grade 8; and

(iii) will cost more than twenty million dollars ($20,000,000).

(C) Any other controlled project that:

(i) is not a controlled project described in clause (A) or (B); and

(ii) will cost the political subdivision more than the lesser of twelve million dollars ($12,000,000) or an amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date (if that amount is at least one million dollars ($1,000,000)).

(2) The proper officers of the political subdivision make a preliminary determination after June 30, 2008, in the manner described in subsection (b) to issue bonds or enter into a lease for the controlled project.

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall publish notice in accordance with IC 5-3-1 and send notice by first class mail to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on the preliminary determination before adoption of the ordinance or resolution. The political subdivision must make the following information available to the public at the public hearing on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(2) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in

subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to annually incur to operate the facility.

(G) The political subdivision's current debt service levy and rate and the estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(4) After notice is given, a petition requesting the application of the local public question process under section 3.6 of this chapter may be filed by the lesser of:

(A) one hundred (100) persons who are either owners of real property within the political subdivision or registered voters residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of real property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of real property or registered voters and may be allowed to pick up additional copies to distribute to other property owners or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of real property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as a real property owner must indicate the address of the real property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration office has determined that at least one hundred twenty-five (125) persons who signed the petition are registered voters within the political subdivision, the county voter registration office is not required to verify whether the remaining persons who signed the petition are registered voters. If the county voter registration office does not determine that at least one hundred twenty-five (125) persons who signed the petition are registered voters, the county voter registration office, not more than fifteen (15) business days after receiving a petition, shall forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of real property in the political subdivision; and

(B) whether a person who signed the petition as an owner of real property within the political subdivision does in fact own real property within the political subdivision.

(9) The county voter registration office, not more than ten (10) business days after determining that at least one hundred twenty-five (125) persons who signed the petition are registered voters or after receiving the statement from the county auditor under subdivision (8) (as applicable), shall make the final determination of whether a sufficient number of persons have signed the petition. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular referendum process under this chapter, regardless of whether the person owns more than one (1) parcel of real property within the political subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of real property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within ~~thirty-five (35)~~ **forty-five (45)** days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a

certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting the referendum process. The certificate must state the number of petitioners who are owners of real property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

(11) If a sufficient petition requesting the local public question process is not filed by owners of real property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

(c) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall provide to the county auditor:

(1) a copy of the notice required by subsection (b)(2); and

(2) any other information the county auditor requires to fulfill the county auditor's duties under section 3.6 of this chapter.

SECTION 37. IC 6-1.1-20-3.6, AS ADDED BY P.L.146-2008, SECTION 194, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3.6. (a) **Except as provided in section 3.7 of this chapter,** this section applies only to a controlled project described in section 3.5(a) of this chapter.

(b) If a sufficient petition requesting the application of the local public question process has been filed as set forth in section 3.5 of this chapter, a political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project unless the political subdivision's proposed debt service or lease rental is approved in an election on a local public question held under this section.

(c) The following question shall be submitted to the voters at the election conducted under this section:

"Shall _____ (insert the name of the political subdivision) issue bonds or enter into a lease to finance _____ (insert the description of the controlled project)?".

(d) The county auditor shall certify the public question described in subsection (c) under IC 3-10-9-3 to the county election board of each county in which the political subdivision is located. **The certification must occur not later than noon:**

(1) sixty (60) days before a primary election if the public question is to be placed on the primary or municipal primary election ballot; or

(2) August 1 if the public question is to be placed on the general or municipal election ballot.

~~After the public question is certified,~~ **Subject to the certification requirements and deadlines under this subsection,** the public question shall be placed on the ballot at the next primary election, general election, or municipal election in which all voters of the political subdivision are entitled to vote. However, if a primary election, general election, or municipal election will not be held ~~in the six (6) month period after the county auditor certifies~~ **during the first year in which** the public question **is eligible to be placed on the ballot under this section,** the public question shall be placed on the ballot at a special election to be held

~~(1) not earlier than ninety (90) days; and~~

~~(2) not later than one hundred twenty (120) days,~~

~~after the public question is certified if the fiscal body of the political subdivision that wishes to issue the bonds or enter into the lease requests the public question to be voted on in a special election. However, in a year in which a general election or municipal election is held, the public question may be placed on the ballot at a special election only if the fiscal body of the political subdivision that requests the special election~~ **in May or November of the year. The certification must occur not later than noon sixty (60) days before a special election to be held in May (if the special election is to be held in May) or noon on August 1 (if the special election is to be held in November). However, a special election may be held only if the fiscal body of the political subdivision that requests the special election** agrees to pay the costs of holding the special election. ~~In a year in which a general election is not held and a municipal election is not held, the fiscal body of the political subdivision that requests the special election is not required to pay the costs of holding the special election.~~ The county election board shall give notice under IC 5-3-1 of a special election conducted under this subsection. A special election conducted under this subsection is under the direction of the county election board. The county election board shall take all steps necessary to carry out the special election.

(e) The circuit court clerk shall certify the results of the public question to the following:

(1) The county auditor of each county in which the political subdivision is located.

(2) The department of local government finance.

(f) Subject to the requirements of IC 6-1.1-18.5-8, the political subdivision may issue the proposed bonds or enter into the proposed lease rental if a majority of the voters voting on the public question vote in favor of the public question.

(g) If a majority of the voters voting on the public question vote in opposition to the public question, both of the following apply:

(1) The political subdivision may not issue the proposed bonds or enter into the proposed lease rental.

(2) Another public question under this section on the same or a substantially similar project may not be submitted to the voters earlier than one (1) year after the date of the election.

(h) IC 3, to the extent not inconsistent with this section, applies to an election held under this section.

(i) A political subdivision may not artificially divide a capital project into multiple capital projects in order to avoid the requirements of this section and section 3.5 of this chapter.

SECTION 38. IC 6-1.1-20-3.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.7. (a) This section applies to the following:**

(1) The issuance of bonds or the entering into a lease for a controlled project:

(A) to which section 3.5 of this chapter applies; and

(B) for which a sufficient petition requesting the application of the local public question process under section 3.6 of this chapter has not been filed as set forth in section 3.5 of this chapter within the time required under section 3.5(b)(7) of this chapter.

(2) The issuance of bonds or the entering into a lease for a capital project:

(A) that is not a controlled project to which section 3.5 of this chapter applies; and

(B) that would, but for the application of section 1.1(6) of this chapter to the project, be a controlled project to which section 3.5 of this chapter applies.

(b) If the proper officers of a political subdivision make a preliminary determination to issue bonds described in subsection (a) or enter into a lease described in subsection (a), the fiscal body of the political subdivision may adopt a resolution specifying that the local public question process specified in section 3.6 of this chapter applies to the issuance of the bonds or the entering into the lease, notwithstanding

that:

(1) a sufficient petition requesting the application of the local public question process under section 3.6 of this chapter has not been filed as set forth in section 3.5 of this chapter (in the case of bonds or a lease described in subsection (a)(1)); or

(2) because of the application of section 1.1(6) of this chapter, the bonds or lease is not considered to be issued or entered into for a controlled project (in the case of bonds or a lease described in subsection (a)(2)).

(c) The following apply to the adoption of a resolution by the fiscal body of a political subdivision under subsection (b):

(1) In the case of bonds or a lease described in subsection (a)(1) and for which no petition requesting the application of the local public question process under section 3.6 of this chapter has been filed within the time required under section 3.5(b)(7) of this chapter, the fiscal body must adopt the resolution not more than sixty (60) days after publication of the notice of the preliminary determination to issue the bonds or enter into the lease.

(2) In the case of bonds or a lease described in subsection (a)(1) and for which a petition requesting the application of the local public question process under section 3.6 of this chapter:

(A) has been filed under section 3.5 of this chapter; and

(B) is determined to have an insufficient number of signatures to require application of the local public question process under section 3.6 of this chapter;

the fiscal body must adopt the resolution not more than thirty (30) days after the county voter registration office makes the final determination under section 3.5 of this chapter that a sufficient number of persons have not signed the petition.

(3) In the case of bonds or a lease described in subsection (a)(2), the fiscal body must adopt the resolution not more than thirty (30) days after publication of the notice of the preliminary determination to issue the bonds or enter into the lease.

(4) The fiscal body shall certify the resolution to the county election board of each county in which the political subdivision is located, and the county election board shall place the public question on the ballot as provided in section 3.6 of this chapter.

(d) Except to the extent it is inconsistent with this section, section 3.6 of this chapter applies to a local public question placed on the ballot under this section.

SECTION 39. IC 6-1.1-20-5, AS AMENDED BY P.L.146-2008, SECTION 195, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. ~~(a)~~ When the proper officers of a political subdivision decide to issue bonds or enter into leases in a total amount which exceeds five thousand dollars ($5,000), they shall give notice of the decision by:

(1) posting; and

(2) publication once each week for two (2) weeks.

The notice required by this section shall be posted in three (3) public places in the political subdivision and published in accordance with IC 5-3-1-4. The decision to issue bonds may be a preliminary decision.

~~(b) This subsection does not apply to bonds or lease rental agreements for which a political subdivision:~~

~~(1) after June 30, 2008, makes:~~

~~(A) a preliminary determination as described in section 3.1 or 3.5 of this chapter; or~~

~~(B) a decision as described in subsection (a); or~~

~~(2) in the case of bonds or lease rental agreements not subject to section 3.1 or 3.5 of this chapter and not subject to subsection (a), adopts a resolution or ordinance authorizing the bonds or lease rental agreement after June 30, 2008.~~

~~Ten (10) or more taxpayers who will be affected by the proposed issuance of the bonds and who wish to object to the issuance on the grounds that it is unnecessary or excessive may file a petition in the office of the auditor of the county in which the political subdivision is located. The petition must be filed within fifteen (15) days after the notice required by subsection (a) is given, and it must contain the objections of the taxpayers and facts which show that the proposed issue is unnecessary or excessive. When taxpayers file a petition in the manner prescribed in this subsection, the county auditor shall immediately forward a certified copy of the petition and any other relevant information to the department of local government finance.~~

SECTION 40. IC 6-1.1-20-7.5, AS ADDED BY P.L.146-2008, SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 7.5. This section applies only to bonds, leases, and other debt for which a political subdivision:

(1) after June 30, 2008, makes a preliminary determination as described in section 3.1 or 3.5 of this chapter or a decision as described in section 5 of this chapter; or

(2) in the case of bonds, leases, or other obligations not subject to section 3.1, 3.5, or 5 of this chapter, adopts a resolution or ordinance authorizing the bonds, lease rental agreement, or other obligations after June 30, 2008.

~~Notwithstanding any other provision,~~ **Except as expressly provided by law, a** review by the department of local government finance and approval by the department of local government finance are not required before a political subdivision may issue or enter into **a loan,** bonds, a lease, or any ~~other~~ obligations payable from ad valorem property taxes.".

Page 17, delete lines 3 through 42, begin a new paragraph and insert:

"SECTION 42. IC 6-1.1-20.6-8.5, AS ADDED BY P.L.146-2008, SECTION 225, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8.5. (a) ~~This section applies to property taxes first due and payable for a calendar year after December 31, 2008.~~ This section applies to an individual who:

(1) qualified for a standard deduction granted under IC 6-1.1-12-37 for the individual's homestead property in the immediately preceding calendar year (or was married at the time of death to a deceased spouse who qualified for a standard deduction granted under IC 6-1.1-12-37 for the individual's homestead property in the immediately preceding calendar year); ~~and~~

(2) qualifies for a standard deduction granted under IC 6-1.1-12-37 for the same homestead property in the current calendar year;

(3) is or will be at least sixty-five (65) years of age on or before December 31 of the calendar year immediately preceding the current calendar year; and

(4) had:

(A) in the case of an individual who filed a single return, adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding thirty thousand dollars ($30,000); or

(B) in the case of an individual who filed a joint income tax return with the individual's spouse, combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding forty thousand dollars ($40,000);

for the calendar year preceding by two (2) years the calendar year in which property taxes are first due and payable.

(b) This section does not apply if the gross assessed value of the homestead on the assessment date for which property taxes are imposed is at least one hundred sixty thousand

dollars ($160,000).

~~(b)~~ **(c)** An individual is entitled to an additional credit under this section for property taxes first due and payable for a calendar year on a homestead if:

(1) the **individual and the** homestead ~~qualifies as qualified homestead property~~ **qualify for the credit under subsection (a) for the calendar year;**

(2) the homestead is not disqualified for the credit under subsection (b) for the calendar year; and

(3) the filing requirements under subsection (e) are met.

~~(c)~~ **(d)** The amount of the credit is equal to the greater of zero (0) or the result of:

(1) the property tax liability first due and payable on the ~~qualified~~ homestead property for the calendar year; minus

(2) the result of:

(A) the property tax liability first due and payable on the qualified homestead property for the immediately preceding year; multiplied by

(B) one and two hundredths (1.02).

However, property tax liability imposed on any improvements to or expansion of the homestead property after the assessment date for which property tax liability described in subdivision (2) was imposed shall not be considered in determining the credit granted under this section in the current calendar year.

~~(d) The following adjusted gross income limits apply to an individual who claims a credit under this section:~~

~~(1) In the case of an individual who files a single return, the adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of the individual claiming the exemption may not exceed thirty thousand dollars ($30,000).~~

~~(2) In the case of an individual who files a joint income tax return with the individual's spouse, the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of the individual and the individual's spouse may not exceed forty thousand dollars ($40,000).~~

(e) Applications for a credit under this section shall be filed in the manner provided for an application for a deduction under IC 6-1.1-12-9. However, an individual who remains eligible for the credit in the following year is not required to file a statement to apply for the credit in the following year. An individual who receives a credit under this section in a particular year and who becomes ineligible for the credit in the following year shall notify the auditor of the county in which the homestead is located of the individual's ineligibility ~~before June 11 of the year in which~~ **not later than sixty (60) days after** the individual becomes ineligible.

(f) The auditor of each county shall, in a particular year, apply a credit provided under this section to each individual who received the credit in the preceding year unless the auditor determines that the individual is no longer eligible for the credit.

SECTION 43. IC 6-1.1-21.2-15, AS AMENDED BY P.L.146-2008, SECTION 240, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 15. (a) As the special assessment or tax imposed under this chapter is collected by the county treasurer, it shall be transferred to the governing body and accumulated and kept in the special fund for the allocation area.

(b) A special assessment or tax levied under this chapter is not subject to IC 6-1.1-20.

(c) A special assessment or tax levied under this chapter and the use of revenues from a special assessment or tax levied under this chapter by a governing body do not create a constitutional or statutory debt, pledge, or obligation of the governing body, the district, or any county, city, town, or township.

(d) The ad valorem property tax levy limits imposed by IC 6-1.1-18.5-3 or another provision of IC 6-1.1-18.5 do not apply to a special assessment or tax imposed under this chapter. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under IC 6-1.1-18.5-3 or another provision of IC 6-1.1-18.5, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include a special assessment or tax imposed under this chapter.

SECTION 44. IC 6-1.1-22-5, AS AMENDED BY P.L.146-2008, SECTION 250, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) Except as provided in subsections (b) and (c), on or before March 15 of each year, the county auditor shall prepare and deliver to the auditor of state and the county treasurer a certified copy of an abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in that year in each taxing district of the county. The county auditor shall prepare the abstract in such a manner that the information concerning property tax deductions reflects the total amount of each type of deduction. The abstract shall also contain a statement of the taxes and penalties unpaid in each taxing unit at the time of the last settlement between the county auditor and county treasurer and the status of these delinquencies. The county auditor shall prepare the abstract on the form prescribed by the state board of accounts. The auditor of state, county auditor, and county treasurer shall each keep a copy of the abstract as a public record.

(b) If the county auditor receives a copy of an appeal petition under ~~IC 6-1.1-18.5-12(d)~~ **IC 6-1.1-18.5-12(g)** before the county auditor prepares and delivers the certified copy of the abstract under subsection (a), the county auditor shall prepare and deliver the certified copy of the abstract when the appeal is resolved by the department of local government finance.

(c) If the county auditor receives a copy of an appeal petition under ~~IC 6-1.1-18.5-12(d)~~ **IC 6-1.1-18.5-12(g)** after the county auditor prepares and delivers the certified copy of the abstract under subsection (a), the county auditor shall prepare and deliver a certified copy of a revised abstract when the appeal is resolved by the department of local government finance that reflects the action of the department.

SECTION 45. IC 6-1.1-22-8.1, AS AMENDED BY P.L.3-2008, SECTION 53, AND AS AMENDED BY P.L.146-2008, SECTION 251, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8.1. (a) ~~This section applies only to property taxes and special assessments first due and payable after December 31, 2007.~~

~~(b)~~ The county treasurer shall:

(1) mail to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book; and

(2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any property taxes or special assessments, as shown on the tax duplicate or special assessment records;

a statement in the form required under subsection ~~(c)~~ *~~(c). However, for property taxes first due and payable in 2008, the county treasurer may choose to use a tax statement that is different from the tax statement prescribed by the department under subsection (c). If a county chooses to use a different tax statement, the county must still transmit (with the tax bill) the statement in either color type or black-and-white type.~~* **(b).**

~~(c)~~ **(b)** The department of local government finance shall prescribe a form ~~subject to the approval of the state board of accounts,~~ for the statement under subsection ~~(b)~~ **(a)** that includes at least the following:

(1) A statement of the taxpayer's current and delinquent taxes and special assessments.

(2) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's

liability that will be distributed to each taxing unit in the county.

(3) An itemized listing ~~for each property tax levy,~~ including:

~~(A) the amount of the tax rate;~~

~~(B)~~ **(A)** the entity levying the tax owed; and

~~(C)~~ **(B)** the dollar amount of the tax owed.

(4) Information designed to show the manner in which the taxes and special assessments billed in the tax statement are to be used.

(5) A comparison showing any change in the assessed valuation for the property as compared to the previous year.

(6) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify

~~(A)~~ the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year. ~~and~~

~~(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.~~

(7) An explanation of the following:

(A) The homestead credit and all property tax deductions.

(B) The procedure and deadline for filing for the homestead credit and each deduction.

(C) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(D) The forms that must be filed for an appeal or a petition described in clause (C).

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(8) A checklist that shows:

(A) the homestead credit and all property tax deductions; and

(B) whether the homestead credit and each property tax deduction applies in the current statement for the property transmitted under subsection ~~(b).~~ **(a).**

~~(d)~~ **(c)** The county treasurer may mail or transmit the statement one (1) time each year at least fifteen (15) days before the date on which the first or only installment is due. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment.

~~(e)~~ **(d)** All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the county seat.

~~(f)~~ **(e)** The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included in the statement under subsection ~~(c).~~ **(b).**

~~(g)~~ **(f)** The information to be included in the statement under subsection ~~(c)~~ **(b)** must be simply and clearly presented and understandable to the average individual.

~~(h)~~ **(g)** After December 31, 2007, a reference in a ~~law or~~ rule to IC 6-1.1-22-8 *(expired January 1, 2008, and repealed)* shall be treated as a reference to this section.

SECTION 46. IC 6-1.1-22-9, AS AMENDED BY P.L.146-2008, SECTION 252, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 9. (a) Except as provided in ~~subsections~~ **subsection** (b), ~~and (c)~~ the property taxes assessed for a year under this article are due in two (2) equal installments on May 10 and November 10 of the following year.

(b) Subsection (a) does not apply if any of the following apply to the property taxes assessed for the year under this article:

(1) Subsection (c).

(2) Subsection (d).

~~(3) Subsection (h).~~

~~(4) Subsection (i).~~

~~(5)~~ **(3)** IC 6-1.1-7-7.

~~(6)~~ **(4)** Section 9.5 of this chapter.

(5) Section 9.7 of this chapter.

(6) IC 6-1.1-7-7.

(7) IC 6-1.1-22.5-12.

(c) A county council may adopt an ordinance to require a person to pay the person's property tax liability in one (1) installment, if the tax liability for a particular year is less than twenty-five dollars ($25). If the county council has adopted such an ordinance, then whenever a tax statement mailed under section 8.1 of this chapter shows that the person's property tax liability for a year is less than twenty-five dollars ($25) for the property covered by that statement, the tax liability for that year is due in one (1) installment on May 10 of that year.

(d) If the county treasurer receives a copy of an appeal petition under ~~IC 6-1.1-18.5-12(d)~~ **IC 6-1.1-18.5-12(g)** before the county treasurer mails or transmits statements under section ~~8.1(b)~~ **8.1** of this chapter, the county treasurer may:

(1) mail or transmit the statements without regard to the pendency of the appeal and, if the resolution of the appeal by the department of local government finance results in changes in levies, mail or transmit reconciling statements under subsection (e); or

(2) delay the mailing or transmission of statements under section ~~8.1(b)~~ **8.1(a)** of this chapter so that:

(A) the due date of the first installment that would otherwise be due under subsection (a) is delayed by not more than sixty (60) days; and

(B) all statements reflect any changes in levies that result from the resolution of the appeal by the department of local government finance.

(e) A reconciling statement under subsection (d)(1) must indicate:

(1) the total amount due for the year;

(2) the total amount of the installments paid that did not reflect the resolution of the appeal under ~~IC 6-1.1-18.5-12(d)~~ **IC 6-1.1-18.5-12(g)** by the department of local government finance;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), the adjusted amount that is payable by the taxpayer:

(A) as a final reconciliation of all amounts due for the year; and

(B) not later than:

(i) November 10; or

(ii) the date or dates established under section 9.5 of this chapter; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(f) If property taxes are not paid on or before the due date, the penalties prescribed in IC 6-1.1-37-10 shall be added to the delinquent taxes.

(g) Notwithstanding any other law, a property tax liability of less than five dollars ($5) is increased to five dollars ($5). The

difference between the actual liability and the five dollar ($5) amount that appears on the statement is a statement processing charge. The statement processing charge is considered a part of the tax liability.

SECTION 47. IC 6-1.1-22.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. As used in this chapter, "provisional statement" refers to a provisional property tax statement required by:

(1) section 6 of this chapter; **or**

(2) section 6.5 of this chapter;

as the context indicates.

SECTION 48. IC 6-1.1-22.5-6, AS AMENDED BY P.L.118-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) Except as provided in subsection (c), ~~with respect to property taxes payable under this article on assessments determined for the 2003 assessment date or the assessment date in any later year,~~ the county treasurer ~~may,~~ **shall,** except as provided by section 7 of this chapter, use a provisional statement under this ~~chapter~~ **section** if the county auditor fails to deliver the abstract for that assessment date to the county treasurer under IC 6-1.1-22-5 before March 16 of the year following the assessment date.

(b) The county treasurer shall give notice of the provisional statement, including disclosure of the method that is to be used in determining the tax liability to be indicated on the provisional statement, by publication one (1) time:

(1) in the form prescribed by the department of local government finance; and

(2) in the manner described in IC 6-1.1-22-4(b).

The notice may be combined with the notice required under section 10 of this chapter.

(c) Subsection (a) does not apply if the county auditor fails to deliver the abstract as provided in IC 6-1.1-22-5(b).

(d) This subsection applies after June 30, 2009. Immediately upon determining ~~to use~~ **that** provisional statements **must be used** under subsection (a), the county treasurer shall give notice of the determination to the county fiscal body (as defined in IC 36-1-2-6).

SECTION 49. IC 6-1.1-22.5-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 6.5. (a) As used in this section, "cross-county area" refers to a cross-county entity's territory that is located in one (1) county.**

(b) As used in this section, "cross-county entity" refers to a taxing unit that is located in more than one (1) county.

(c) As used in this section, "statement preparation date" refers to the date determined by the county treasurer before which the county treasurer must receive all necessary information in order to timely prepare and deliver property tax statements under IC 6-1.1-22.

(d) With respect to property taxes first due and payable under this article after 2009, the county treasurer may, except as provided in section 7 of this chapter, use a provisional statement under this section if:

(1) the county treasurer is not required to use provisional statements under section 6 of this chapter; and

(2) the county treasurer determines that:

(A) the property tax rate of a cross-county entity with cross-county area in the county has not been finally determined before the statement preparation date; and

(B) the rate referred to in clause (A) has not been finally determined because the assessed valuation:

(i) in the cross-county area of a neighboring county; and

(ii) on which the property taxes are based;

has not been finally determined.

(e) A provisional statement under this section applies only for the cross-county area in the county. If a provisional statement is used under this section, the county treasurer shall prepare and deliver property tax statements under IC 6-1.1-22 for the territory of the county that is not cross-county area.

(f) The county treasurer shall give notice of the provisional statement in the manner required by section 6(b) of this chapter.

(g) Immediately upon determining to use provisional statements under this section, the county treasurer shall give notice of the determination to the county fiscal body (as defined in IC 36-1-2-6).

SECTION 50. IC 6-1.1-22.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) The county auditor of a county or fifty (50) property owners in the county may, not more than five (5) days after the publication of the notice required under section ~~6~~ **6(b) or 6.5(f)** of this chapter, request in writing that the department of local government finance waive the use of a provisional statement under this chapter as to that county for a particular ~~assessment date.~~ **year.**

(b) **With respect to the use of a provisional statement required under section 6 of this chapter,** upon receipt of a request under subsection (a), the department of local government finance shall give notice of a hearing concerning the request in the manner provided by IC 5-3-1. The notice must state:

(1) the date and time of the hearing;

(2) the location of the hearing, which must be in the county; and

(3) that the purpose of the hearing is to hear:

(A) the request of the county treasurer and county auditor to waive the requirements of **section 6 of** this chapter; and

(B) taxpayers' comments regarding that request.

(c) After the hearing **required by subsection (b),** the department of local government finance may waive the use of a provisional statement under **section 6 of** this chapter for a particular ~~assessment date~~ **year** as to the county making the request if the department finds that the petitioners have presented sufficient evidence to establish that although the abstract required by IC 6-1.1-22-5 was not delivered in a timely manner:

(1) the abstract;

(A) was delivered as of the date of the hearing; or

(B) will be delivered not later than a date specified by the county auditor and county treasurer; and

(2) sufficient time remains or will remain after the date or anticipated date of delivery of the abstract to:

(A) permit the timely preparation and delivery of property tax statements in the manner provided by IC 6-1.1-22; and

(B) render the use of a provisional statement under **section 6 of** this chapter unnecessary.

(d) With respect to a determination to use a provisional statement under section 6.5 of this chapter, upon receipt of a request under subsection (a), the department of local government finance shall give notice of a hearing concerning the request in the manner provided by IC 5-3-1. The notice must state:

(1) the date and time of the hearing;

(2) the location of the hearing, which must be in the county; and

(3) that the purpose of the hearing is to hear:

(A) the request of the county treasurer and county auditor to waive the requirements of section 6.5 of this chapter; and

(B) taxpayers' comments regarding that request.

(e) After the hearing required by subsection (d), the department of local government finance may waive the use of a provisional statement under section 6.5 of this chapter for a particular year as to the county making the request if the department finds that the petitioners have presented

sufficient evidence to establish that although the property tax rate of one (1) or more cross-county entities with cross-county area in the county was not finally determined before the statement preparation date:

(1) that property tax rate:

(A) was determined as of the date of the hearing; or

(B) will be determined not later than a date specified by the county auditor and county treasurer; and

(2) sufficient time remains or will remain after the date or anticipated date of determination of the rate to:

(A) permit the timely preparation and delivery of property tax statements in the manner provided by IC 6-1.1-22; and

(B) render the use of a provisional statement under section 6.5 of this chapter unnecessary.

SECTION 51. IC 6-1.1-22.5-8, AS ADDED BY P.L.1-2004, SECTION 37, AND AS ADDED BY P.L.23-2004, SECTION 40, AND AMENDED BY P.L.219-2007, SECTION 65, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. **(a) Subject to subsection (b),** a provisional statement must:

(1) be on a form approved by the state board of accounts;

(2) except as provided in emergency rules adopted under section 20 of this chapter:

(A) for property taxes billed using a provisional statement under section 6 of this chapter, indicate tax liability in the amount of: ~~ninety~~

(i) except as provided in item (ii), sixty percent ~~(90%)~~ **(60%); or**

(ii) if the county treasurer determines in writing to use a percentage greater than sixty percent (60%) and not more than ninety percent (90%), the percentage determined by the county treasurer under this item;

of the tax liability that was payable in the same year as the assessment date for the property for which the provisional statement is issued; **or**

(B) for property taxes billed using a provisional statement under section 6.5 of this chapter, except as provided in subsection (c), indicate tax liability in an amount determined by the department of local government finance based on:

(i) subject to subsection (b), for the cross-county entity, the property tax rate of the cross-county entity for taxes first due and payable in the immediately preceding calendar year; and

(ii) for all other taxing units that make up the taxing district or taxing districts that comprise the cross-county area, the property tax rates of the taxing units for taxes first due and payable in the current calendar year;

(3) indicate:

(A) that the tax liability under the provisional statement is determined as described in subdivision (2); and

(B) that property taxes billed on the provisional statement:

(i) are due and payable in the same manner as property taxes billed on a tax statement under ~~IC 6-1.1-22-8,~~ **IC 6-1.1-22-8.1;** and

(ii) will be credited against a reconciling statement;

(4) **for property taxes billed using a provisional statement under section 6 of this chapter,** include ~~*the following*~~ *a* statement *in the following or a substantially similar form, as determined by the department of local government finance:*

"Under Indiana law, _____ County (insert county) has ~~elected to send~~ **sent** provisional statements because the county did not complete the abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in (insert year) in each taxing district before March 16, (insert year). The statement is due to be paid in installments on ~~*May 10*~~ _____ *(insert date)* and _____ ~~*November 10*~~ *(insert date).* The statement is based on ~~ninety~~ _____ percent ~~(90%)~~ **(__%) (insert percentage)** of your tax liability for taxes payable in _____ (insert year), subject to adjustment for any new construction on your property *or any damage to your property.* After the abstract of property is complete, you will receive a reconciling statement in the amount of your actual tax liability for taxes payable in _____ (insert year), minus the amount you pay under this provisional statement.";

(5) for property taxes billed using a provisional statement under section 6.5 of this chapter, include a statement in the following or a substantially similar form, as determined by the department of local government finance:

"Under Indiana law, _____ County (insert county) has elected to send provisional statements for the territory of _____ (insert cross-county entity) located in _____ County (insert county) because the property tax rate for _____ (insert cross-county entity) was not available in time to prepare final tax statements. The statement is due to be paid in installments on _____ (insert date) and _____ (insert date). The statement is based on the property tax rate of _____ (insert cross-county entity) for taxes first due and payable in _____ (insert immediately preceding calendar year). After the property tax rate of _____ (insert cross-county entity) is determined, you will receive a reconciling statement in the amount of your actual tax liability for taxes payable in _____ (insert year), minus the amount you pay under this provisional statement.";

~~(5)~~ **(6)** indicate liability for:

(A) delinquent:

(i) taxes; and

(ii) special assessments;

(B) penalties; and

(C) interest;

is allowed to appear on the tax statement under IC ~~6-1.1-22-8~~ **IC 6-1.1-22-8.1** for the ~~*May*~~ *first* installment of property taxes in the year in which the provisional tax statement is issued; and

~~(6)~~ **(7)** include any other information the county treasurer requires.

(b) For purposes of this section, property taxes that are:

(1) first due and payable in the current calendar year on a provisional statement under section 6 or 6.5 of this chapter; and

(2) based on property taxes first due and payable in the immediately preceding calendar year or on a percentage of those property taxes;

are determined after excluding from the property taxes first due and payable in the immediately preceding calendar year property taxes imposed by one (1) or more taxing units in which the tangible property is located that are attributable to a levy that no longer applies for property taxes first due and payable in the current calendar year.

(c) If there was no property tax rate of the cross-county entity for taxes first due and payable in the immediately preceding calendar year for use under subsection (a)(2)(B), the department of local government finance shall provide an estimated tax rate calculated to approximate the actual tax rate that will apply when the tax rate is finally determined.

SECTION 52. IC 6-1.1-22.5-9, AS AMENDED BY P.L.219-2007, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. (a) Except as provided in subsection (b), subsection (c), and section 12 of this

chapter, property taxes billed on a provisional statement are due in two (2) equal installments on May 10 and November 10 of the year ~~following the assessment date covered by the provisional statement.~~ **in which the taxes would be first due and payable if the taxes were billed under IC 6-1.1-22.**

(b) If in a county the notices of general reassessment under IC 6-1.1-4-4 or notices of assessment under IC 6-1.1-4-4.5 for an assessment date in a calendar year are given to the taxpayers in the county after March 26 of the immediately succeeding calendar year, the property taxes that would otherwise be due under subsection (a) **under a provisional statement under section 6 of this chapter** on May 10 of the immediately succeeding calendar year are due on the later of:

(1) May 10 of the immediately succeeding calendar year; or

(2) forty-five (45) days after the mailing or transmittal of provisional statements.

(c) If subsection (b) applies, the property taxes that would otherwise be due under subsection (a) **under a provisional statement under section 6 of this chapter** on November 10 of the immediately succeeding calendar year referred to in subsection (b) are due on the later of:

(1) November 10 of the immediately succeeding calendar year; or

(2) a date determined by the county treasurer that is not later than December 31 of the immediately succeeding calendar year.

SECTION 53. IC 6-1.1-22.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. **(a) With respect to provisional statements under section 6 of this chapter,** as soon as possible after the receipt of the abstract referred to in section 6 of this chapter, the county treasurer shall:

(1) give the notice required by IC 6-1.1-22-4; and

(2) mail or transmit reconciling statements under section 12 of this chapter.

(b) With respect to provisional statements under section 6.5 of this chapter, as soon as possible after determination of the tax rate of the cross-county entity referred to in section 6.5 of this chapter, the county treasurer shall:

(1) give the notice required by IC 6-1.1-22-4; and

(2) mail or transmit reconciling statements under section 12 of this chapter.

SECTION 54. IC 6-1.1-22.5-12, AS AMENDED BY P.L.146-2008, SECTION 254, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. (a) Except as provided by subsection (c), each reconciling statement must indicate:

(1) the actual property tax liability under this article ~~on the assessment determined for the assessment date~~ for the ~~property~~ **calendar year** for which the reconciling statement is issued;

(2) the total amount paid under the provisional statement for the property for which the reconciling statement is issued;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), that the excess is payable by the taxpayer:

(A) as a final reconciliation of the tax liability; and

(B) not later than:

(i) thirty (30) days after the date of the reconciling statement;

(ii) if the county treasurer requests in writing that the commissioner designate a later date, the date designated by the commissioner; or

(iii) the date specified in an ordinance adopted under section 18.5 of this chapter; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(b) If, upon receipt of the abstract referred to in section 6 of this chapter **or upon determination of the tax rate of the cross-county entity referred to in section 6.5 of this chapter,** the county treasurer determines that it is possible to complete the:

(1) preparation; and

(2) mailing or transmittal;

of the reconciling statement at least thirty (30) days before the due date of the second installment specified in the provisional statement, the county treasurer may request in writing that the department of local government finance permit the county treasurer to issue a reconciling statement that adjusts the amount of the second installment that was specified in the provisional statement. If the department approves the county treasurer's request, the county treasurer shall prepare and mail or transmit the reconciling statement at least thirty (30) days before the due date of the second installment specified in the provisional statement.

(c) A reconciling statement prepared under subsection (b) must indicate:

(1) the actual property tax liability under this article ~~on the assessment determined for the assessment date for the property~~ **for the calendar year** for which the reconciling statement is issued;

(2) the total amount of the first installment paid under the provisional statement for the property for which the reconciling statement is issued;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), the adjusted amount of the second installment that is payable by the taxpayer:

(A) as a final reconciliation of the tax liability; and

(B) not later than:

(i) November 10; or

(ii) if the county treasurer requests in writing that the commissioner designate a later date, the date designated by the commissioner; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

SECTION 55. IC 6-1.1-22.5-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 20. For purposes of a provisional statement under **section 6 of** this chapter, the department of local government finance may adopt emergency rules under IC 4-22-2-37.1 to provide a methodology for a county treasurer to issue provisional statements with respect to real property, taking into account new construction of improvements placed on the real property, damage, and other losses related to the real property:

(1) after March 1 of the year preceding the assessment date to which the provisional statement applies; and

(2) before the assessment date to which the provisional statement applies.".

Delete page 18.

Page 19, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 57. IC 6-1.1-31-7, AS AMENDED BY P.L.214-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2010]: Sec. 7. (a) With respect to the assessment of personal property, the rules of the department of local government finance shall provide for the classification of personal property on the basis of:

(1) date of purchase;

(2) location;

(3) use;

(4) depreciation, obsolescence, and condition; and

(5) any other factor that the department determines by rule is just and proper.

(b) With respect to the assessment of personal property, the rules of the department of local government finance shall include instructions for determining:

(1) the proper classification of personal property;
(2) the effect that location has on the value of personal property;
(3) the cost of reproducing personal property;
(4) the depreciation, including physical deterioration and obsolescence, of personal property;
(5) the productivity or earning capacity of mobile homes regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more;
(6) the true tax value of mobile homes assessed under IC 6-1.1-7 (other than mobile homes subject to the ~~preferred~~ valuation method under ~~IC 6-1.1-4-39(b))~~ **IC 6-1.1-4-39)** as the least of the values determined using the following:
(A) The National Automobile Dealers Association Guide.
(B) The purchase price of a mobile home if:
(i) the sale is of a commercial enterprise nature; and
(ii) the buyer and seller are not related by blood or marriage.
(C) Sales data for generally comparable mobile homes;
(7) the true tax value at the time of acquisition of computer application software, for the purpose of deducting the value of computer application software from the acquisition cost of tangible personal property whenever the value of the tangible personal property that is recorded on the taxpayer's books and records reflects the value of the computer application software; and
(8) the true tax value of personal property based on the factors listed in this subsection and any other factor that the department determines by rule is just and proper.

(c) In providing for the classification of personal property and the instructions for determining the items listed in subsection (b), the department of local government finance shall not include the value of land as a cost of producing tangible personal property subject to assessment.

(d) With respect to the assessment of personal property, true tax value does not mean fair market value. Subject to this article, true tax value is the value determined under rules of the department of local government finance.

SECTION 58. IC 6-1.1-35-9, AS AMENDED BY P.L.146-2008, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. (a) All information that is related to earnings, income, profits, losses, or expenditures and that is:
(1) given by a person to:
(A) an assessing official;
(B) an employee of an assessing official; or
(C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12; or
(2) acquired by:
(A) an assessing official;
(B) an employee of an assessing official; or
(C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12;
in the performance of the person's duties;
is confidential. The assessed valuation of tangible property is a matter of public record and is thus not confidential. Confidential information may be disclosed only in a manner that is authorized under subsection (b), (c), or (d).

(b) Confidential information may be disclosed to:
(1) an official or employee of:
(A) this state or another state;
(B) the United States; or
(C) an agency or subdivision of this state, another state, or the United States;
if the information is required in the performance of the official duties of the official or employee; ~~or~~
(2) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12 if the information is required in the performance of the official duties of the officer or employee; **or**
(3) a state educational institution in order to develop data required under IC 6-1.1-4-42.

(c) The following state agencies, or their authorized representatives, shall have access to the confidential farm property records and schedules that are on file in the office of a county assessor:
(1) The Indiana state board of animal health, in order to perform its duties concerning the discovery and eradication of farm animal diseases.
(2) The department of agricultural statistics of Purdue University, in order to perform its duties concerning the compilation and dissemination of agricultural statistics.
(3) Any other state agency that needs the information in order to perform its duties.

(d) Confidential information may be disclosed during the course of a judicial proceeding in which the regularity of an assessment is questioned.

(e) Confidential information that is disclosed to a person under subsection (b) or (c) retains its confidential status. Thus, that person may disclose the information only in a manner that is authorized under subsection (b), (c), or (d).

(f) Notwithstanding any other provision of law:
(1) a person who:
(A) is an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12; and
(B) obtains confidential information under this section;
may not disclose that confidential information to any other person; and
(2) a person referred to in subdivision (1) must return all confidential information to the taxpayer not later than fourteen (14) days after the earlier of:
(A) the completion of the examination of the taxpayer's personal property return under IC 6-1.1-36-12; or
(B) the termination of the contract.

SECTION 59. IC 6-1.1-37-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. An officer of state or local government who recklessly violates or fails to perform a duty imposed on ~~him~~ **the officer** under:
(1) IC 6-1.1-10-1(b);
(2) IC 6-1.1-12-6;
(3) IC 6-1.1-12-7;
~~(4) IC 6-1.1-12-8;~~
~~(5)~~ **(4)** IC 6-1.1-17-1;
~~(6)~~ **(5)** IC 6-1.1-17-3(a);
~~(7)~~ **(6)** IC 6-1.1-17-5(d)(1);
~~(8)~~ **(7)** IC 6-1.1-18-1;
~~(9)~~ **(8)** IC 6-1.1-18-5;
~~(10)~~ **(9)** IC 6-1.1-18-6;
~~(11)~~ **(10)** IC 6-1.1-20-5;
~~(12) IC 6-1.1-20-6;~~
~~(13) IC 6-1.1-20-7;~~
~~(14)~~ **(11)** IC 6-1.1-30-14; or
~~(15)~~ **(12)** IC 6-1.1-36-13;
commits a Class A misdemeanor. In addition, the officer is liable for the damages sustained by a person as a result of the officer's violation of the provision or the officer's failure to perform the duty.

SECTION 60. IC 6-1.1-37-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. A person who **recklessly, knowingly, or intentionally:**
(1) disobeys a subpoena, or a subpoena duces tecum, issued under the general assessment provisions of this article;

(2) refuses to give evidence when directed to do so by an individual or board authorized under the general assessment provisions of this article to require the evidence;
(3) fails to file a personal property return required under IC 6-1.1-3;
(4) fails to subscribe to an oath or certificate required under the general assessment provisions of this article; ~~or~~
(5) temporarily converts property which is taxable under this article into property not taxable to evade the payment of taxes on the converted property; **or**
(6) fails to file an information return required by the department of local government finance under IC 6-1.1-4-42;
commits a Class A misdemeanor.

SECTION 61. IC 6-1.1-37-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 14. (a) The penalties prescribed under this section do not apply to an individual or the individual's dependents if the individual:**
(1) is in the military or naval forces of the United States on the assessment date; and
(2) is covered by the federal Servicemembers Civil Relief Act.
(b) If a person fails to file a substantially complete information return required by the department of local government finance under IC 6-1.1-4-42:
(1) on or before the due date for the return, the person is subject to a penalty of twenty-five dollars ($25); or
(2) not later than thirty (30) days after the due date, the person is subject to an additional penalty equal to twenty percent (20%) of the taxes finally determined with respect to the property that is the subject of the information return for the assessment date for the property immediately preceding the date that the information is due.
(c) The department of local government finance shall certify a penalty imposed under subsection (b) to the county auditor where the property that is the subject of the return is located. Upon notice from the department of local government finance, the county auditor shall add the penalty to the property tax installment next due for the property that is the subject of the information return. A penalty is due with an installment under this section whether an appeal is filed under IC 6-1.1-15-5 with respect to the tax due on that installment.

SECTION 62. IC 6-1.1-41-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. After a political subdivision complies with this chapter, a property tax may be levied annually ~~at the tax rate approved under this chapter~~ without further action under this chapter. The tax levy must be advertised annually as other tax levies are advertised.

SECTION 63. IC 6-3.5-1.1-1.1, AS ADDED BY P.L.207-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.1. (a) For purposes of allocating the certified distribution made to a county under this chapter among the civil taxing units and school corporations in the county, the allocation amount for a civil taxing unit or school corporation is the amount determined using the following formula:
STEP ONE: Determine the sum of the total property taxes being collected by the civil taxing unit or school corporation during the calendar year of the distribution.
STEP TWO: Determine the sum of the following:
(A) Amounts appropriated from property taxes to pay the principal of or interest on any debenture or other debt obligation issued after June 30, 2005, other than an obligation described in subsection (b).
(B) Amounts appropriated from property taxes to make payments on any lease entered into after June 30, 2005, other than a lease described in subsection (c).
(C) The proceeds of any property that are:
(i) received as the result of the issuance of a debt obligation described in clause (A) or a lease described in clause (B); and
(ii) appropriated from property taxes for any purpose other than to refund or otherwise refinance a debt obligation or lease described in subsection (b) or (c).
STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.
STEP FOUR: Determine the sum of:
(A) the STEP THREE amount; plus
(B) the civil taxing unit's or school corporation's certified distribution for the previous calendar year.
The allocation amount is subject to adjustment as provided in IC 36-8-19-7.5.
(b) Except as provided in this subsection, an appropriation from property taxes to repay interest and principal of a debt obligation is not deducted from the allocation amount for a civil taxing unit or school corporation if:
(1) the debt obligation was issued; and
(2) the proceeds appropriated from property taxes;
to refund or otherwise refinance a debt obligation or a lease issued before July 1, 2005. However, an appropriation from property taxes related to a debt obligation issued after June 30, 2005, is deducted if the debt extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.
(c) Except as provided in this subsection, an appropriation from property taxes to make payments on a lease is not deducted from the allocation amount for a civil taxing unit or school corporation if:
(1) the lease was issued; and
(2) the proceeds were appropriated from property taxes;
to refinance a debt obligation or lease issued before July 1, 2005. However, an appropriation from property taxes related to a lease entered into after June 30, 2005, is deducted if the lease extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.".

Page 20, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 65. IC 6-3.5-1.1-26, AS AMENDED BY P.L.146-2008, SECTION 333, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 26. (a) A county council may impose a tax rate under this section to provide property tax relief to ~~political subdivisions~~ **taxpayers** in the county. A county council is not required to impose any other tax before imposing a tax rate under this section.
(b) A tax rate under this section may be imposed in increments of five-hundredths of one percent (0.05%) determined by the county council. A tax rate under this section may not exceed one percent (1%).
(c) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.
(d) If a county council adopts an ordinance to impose or

increase a tax rate under this section, the county auditor shall send a certified copy of the ordinance to the department and the department of local government finance by certified mail.

(e) A tax rate under this section may be imposed, increased, decreased, or rescinded by a county council at the same time and in the same manner that the county council may impose or increase a tax rate under section 24 of this chapter.

(f) Tax revenue attributable to a tax rate under this section may be used for any combination of the following purposes, as specified by ordinance of the county council:

(1) Except as provided in subsection (j), the tax revenue may be used to provide local property tax replacement credits at a uniform rate to all taxpayers in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year. A county council may not adopt an ordinance determining that tax revenue shall be used under this subdivision to provide local property tax replacement credits at a uniform rate to all taxpayers in the county unless the county council has done the following:

(A) Made available to the public the county council's best estimate of the amount of property tax replacement credits to be provided under this subdivision to homesteads, other residential property, commercial property, industrial property, and agricultural property.

(B) Adopted a resolution or other statement acknowledging that some taxpayers in the county that do not pay the tax rate under this section will receive a property tax replacement credit that is funded with tax revenue from the tax rate under this section.

(2) The tax revenue may be used to uniformly increase (before January 1, ~~2009)~~ **2011)** or uniformly provide (after December 31, ~~2008)~~ **2010)** the homestead credit percentage in the county. The homestead credits shall be treated for all purposes as property tax levies. The homestead credits do not reduce the basis for determining ~~the~~ **any** state homestead credit. ~~under IC 6-1.1-20.9 (before its repeal).~~ The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1. The ~~department of local government finance~~ **county auditor** shall determine the homestead credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide homestead credits in that year.

(3) The tax revenue may be used to provide local property tax replacement credits at a uniform rate for all qualified residential property (as defined in IC 6-1.1-20.6-4 before January 1, 2009, and as defined in section 1 of this chapter after December 31, 2008) in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year.

(4) This subdivision applies only to Lake County. The Lake County council may adopt an ordinance providing that the tax revenue from the tax rate under this section is used for any of the following:

(A) To reduce all property tax levies imposed by the county by the granting of property tax replacement credits against those property tax levies.

(B) To provide local property tax replacement credits in Lake County in the following manner:

(i) The tax revenue under this section that is collected from taxpayers within a particular municipality in Lake County (as determined by the department based on the department's best estimate) shall be used only to provide a local property tax credit against property taxes imposed by that municipality.

(ii) The tax revenue under this section that is collected from taxpayers within the unincorporated area of Lake County (as determined by the department) shall be used only to provide a local property tax credit against property taxes imposed by the county. The local property tax credit for the unincorporated area of Lake County shall be available only to those taxpayers within the unincorporated area of the county.

(C) To provide property tax credits in the following manner:

(i) Sixty percent (60%) of the tax revenue under this section shall be used as provided in clause (B).

(ii) Forty percent (40%) of the tax revenue under this section shall be used to provide property tax replacement credits against property tax levies of the county and each township and municipality in the county. The percentage of the tax revenue distributed under this item that shall be used as credits against the county's levies or against a particular township's or municipality's levies is equal to the percentage determined by dividing the population of the county, township, or municipality by the sum of the total population of the county, each township in the county, and each municipality in the county.

The Lake County council shall determine whether the credits under clause (A), (B), or (C) shall be provided to homesteads, to all qualified residential property, or to all taxpayers. The department of local government finance, with the assistance of the budget agency, shall certify to the county auditor and the fiscal body of the county and each township and municipality in the county the amount of property tax credits under this subdivision. Except as provided in subsection (g), the tax revenue under this section that is used to provide credits under this subdivision shall be treated for all purposes as property tax levies.

The county council may before October 1 of a year adopt an ordinance changing the purposes for which tax revenue attributable to a tax rate under this section shall be used in the following year.

(g) The tax rate under this section and the tax revenue attributable to the tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 2 of this chapter or any other provision of this chapter;

(2) the maximum permissible property tax levy under STEP EIGHT of IC 6-1.1-18.5-3(b);

(3) before January 1, 2009, the total county tax levy under IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5) (before the repeal of those provisions); or

(4) the credit under IC 6-1.1-20.6.

(h) Tax revenue under this section shall be treated as a part of the receiving civil taxing unit's or school corporation's property tax levy for that year for purposes of fixing the budget of the civil taxing unit or school corporation and for determining the distribution of taxes that are distributed on the basis of property tax levies. **To the extent the county auditor determines that there is income tax revenue remaining from the tax under this section after providing the property tax replacement, the excess shall be credited to a dedicated county account and**

may be used only for property tax replacement under this section in subsequent years.

(i) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(j) A taxpayer that owns an industrial plant located in Jasper County is ineligible for a local property tax replacement credit under this section against the property taxes due on the industrial plant if the assessed value of the industrial plant as of March 1, 2006, exceeds twenty percent (20%) of the total assessed value of all taxable property in the county on that date. The general assembly finds that the provisions of this subsection are necessary because the industrial plant represents such a large percentage of Jasper County's assessed valuation.".

Page 22, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 67. IC 6-3.5-6-1.1, AS AMENDED BY P.L.146-2008, SECTION 336, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.1. (a) For purposes of allocating the certified distribution made to a county under this chapter among the civil taxing units in the county, the allocation amount for a civil taxing unit is the amount determined using the following formula:

STEP ONE: Determine the total property taxes that are first due and payable to the civil taxing unit during the calendar year of the distribution plus, for a county, an amount equal to the welfare allocation amount.

STEP TWO: Determine the sum of the following:

(A) Amounts appropriated from property taxes to pay the principal of or interest on any debenture or other debt obligation issued after June 30, 2005, other than an obligation described in subsection (b).

(B) Amounts appropriated from property taxes to make payments on any lease entered into after June 30, 2005, other than a lease described in subsection (c).

(C) The proceeds of any property that are:

(i) received as the result of the issuance of a debt obligation described in clause (A) or a lease described in clause (B); and

(ii) appropriated from property taxes for any purpose other than to refund or otherwise refinance a debt obligation or lease described in subsection (b) or (c).

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) the civil taxing unit or school corporation's certified distribution for the previous calendar year.

The allocation amount is subject to adjustment as provided in IC 36-8-19-7.5. The welfare allocation amount is an amount equal to the sum of the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund and, if the county received a certified distribution under IC 6-3.5-1.1 or this chapter in 2008, the property taxes imposed by the county in 2008 for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, and children with special health care needs county fund.

(b) Except as provided in this subsection, an appropriation from property taxes to repay interest and principal of a debt obligation is not deducted from the allocation amount for a civil taxing unit if:

(1) the debt obligation was issued; and

(2) the proceeds appropriated from property taxes;

to refund or otherwise refinance a debt obligation or a lease issued before July 1, 2005. However, an appropriation from property taxes related to a debt obligation issued after June 30, 2005, is deducted if the debt extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.

(c) Except as provided in this subsection, an appropriation from property taxes to make payments on a lease is not deducted from the allocation amount for a civil taxing unit if:

(1) the lease was issued; and

(2) the proceeds were appropriated from property taxes;

to refinance a debt obligation or lease issued before July 1, 2005. However, an appropriation from property taxes related to a lease entered into after June 30, 2005, is deducted if the lease extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if it had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.".

Page 26, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 69. IC 6-3.5-6-32, AS AMENDED BY P.L.146-2008, SECTION 343, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 32. (a) A county income tax council may impose a tax rate under this section to provide property tax relief to ~~political subdivisions~~ **taxpayers** in the county. A county income tax council is not required to impose any other tax before imposing a tax rate under this section.

(b) A tax rate under this section may be imposed in increments of five-hundredths of one percent (0.05%) determined by the county income tax council. A tax rate under this section may not exceed one percent (1%).

(c) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(d) If a county income tax council adopts an ordinance to impose or increase a tax rate under this section, the county auditor shall send a certified copy of the ordinance to the department and the department of local government finance by certified mail.

(e) A tax rate under this section may be imposed, increased, decreased, or rescinded at the same time and in the same manner that the county income tax council may impose or increase a tax rate under section 30 of this chapter.

(f) Tax revenue attributable to a tax rate under this section may be used for any combination of the following purposes, as specified by ordinance of the county income tax council:

(1) The tax revenue may be used to provide local property tax replacement credits at a uniform rate to all taxpayers in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year. A county income tax council may not adopt an ordinance determining that tax revenue shall be used under this subdivision to provide local property tax replacement credits at a uniform rate to all taxpayers in the county unless the county council has done the following:

(A) Made available to the public the county council's best estimate of the amount of property tax replacement credits to be provided under this subdivision to

homesteads, other residential property, commercial property, industrial property, and agricultural property.

(B) Adopted a resolution or other statement acknowledging that some taxpayers in the county that do not pay the tax rate under this section will receive a property tax replacement credit that is funded with tax revenue from the tax rate under this section.

(2) The tax revenue may be used to uniformly increase (before January 1, ~~2009)~~ **2011)** or uniformly provide (after December 31, ~~2008)~~ **2010)** the homestead credit percentage in the county. The homestead credits shall be treated for all purposes as property tax levies. The homestead credits do not reduce the basis for determining ~~the~~ **any** state homestead credit. ~~under IC 6-1.1-20.9 (before its repeal).~~ The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1. The ~~department of local government finance~~ **county auditor** shall determine the homestead credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide homestead credits in that year.

(3) The tax revenue may be used to provide local property tax replacement credits at a uniform rate for all qualified residential property (as defined in IC 6-1.1-20.6-4 before January 1, 2009, and as defined in section 1 of this chapter after December 31, 2008) in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year.

(4) This subdivision applies only to Lake County. The Lake County council may adopt an ordinance providing that the tax revenue from the tax rate under this section is used for any of the following:

(A) To reduce all property tax levies imposed by the county by the granting of property tax replacement credits against those property tax levies.

(B) To provide local property tax replacement credits in Lake County in the following manner:

(i) The tax revenue under this section that is collected from taxpayers within a particular municipality in Lake County (as determined by the department based on the department's best estimate) shall be used only to provide a local property tax credit against property taxes imposed by that municipality.

(ii) The tax revenue under this section that is collected from taxpayers within the unincorporated area of Lake County (as determined by the department) shall be used only to provide a local property tax credit against property taxes imposed by the county. The local property tax credit for the unincorporated area of Lake County shall be available only to those taxpayers within the unincorporated area of the county.

(C) To provide property tax credits in the following manner:

(i) Sixty percent (60%) of the tax revenue under this section shall be used as provided in clause (B).

(ii) Forty percent (40%) of the tax revenue under this section shall be used to provide property tax replacement credits against property tax levies of the county and each township and municipality in the county. The percentage of the tax revenue distributed under this item that shall be used as credits against the county's levies or against a particular township's or municipality's levies is equal to the percentage determined by dividing the population of the county, township, or municipality by the sum of the total population of the county, each township in the county, and each municipality in the county.

The Lake County council shall determine whether the credits under clause (A), (B), or (C) shall be provided to homesteads, to all qualified residential property, or to all taxpayers. The department of local government finance, with the assistance of the budget agency, shall certify to the county auditor and the fiscal body of the county and each township and municipality in the county the amount of property tax credits under this subdivision. Except as provided in subsection (g), the tax revenue under this section that is used to provide credits under this subdivision shall be treated for all purposes as property tax levies.

The county income tax council may before October 1 of a year adopt an ordinance changing the purposes for which tax revenue attributable to a tax rate under this section shall be used in the following year.

(g) The tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 8 or 9 of this chapter or any other provision of this chapter;

(2) the maximum permissible property tax levy under STEP EIGHT of IC 6-1.1-18.5-3(b); or

(3) the credit under IC 6-1.1-20.6.

(h) Tax revenue under this section shall be treated as a part of the receiving civil taxing unit's or school corporation's property tax levy for that year for purposes of fixing the budget of the civil taxing unit or school corporation and for determining the distribution of taxes that are distributed on the basis of property tax levies. **To the extent the county auditor determines that there is income tax revenue remaining from the tax under this section after providing the property tax replacement, the excess shall be credited to a dedicated county account and may be used only for property tax replacement under this section in subsequent years.**

(i) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(j) Notwithstanding any other provision, in Lake County the county council (and not the county income tax council) is the entity authorized to take actions concerning the tax rate under this section.

SECTION 70. IC 6-3.5-7-12, AS AMENDED BY P.L.146-2008, SECTION 346, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. (a) Except as provided in sections 23, 25, 26, 27, and 28 of this chapter, the county auditor shall distribute in the manner specified in this section the certified distribution to the county.

(b) Except as provided in subsections (c) and (h) and sections 15 and 25 of this chapter, **and subject to adjustment as provided in IC 36-8-19-7.5,** the amount of the certified distribution that the county and each city or town in a county is entitled to receive during May and November of each year equals the product of the following:

(1) The amount of the certified distribution for that month; multiplied by

(2) A fraction. The numerator of the fraction equals the sum of:

(A) total property taxes that are first due and payable to the county, city, or town during the calendar year in which the month falls; plus

(B) for a county, the welfare allocation amount.

The denominator of the fraction equals the sum of the total property taxes that are first due and payable to the county and all cities and towns of the county during the calendar

year in which the month falls, plus the welfare allocation amount. The welfare allocation amount is an amount equal to the sum of the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund and, if the county received a certified distribution under this chapter in 2008, the property taxes imposed by the county in 2008 for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, and children with special health care needs county fund.

(c) This subsection applies to a county council or county income tax council that imposes a tax under this chapter after June 1, 1992. The body imposing the tax may adopt an ordinance before July 1 of a year to provide for the distribution of certified distributions under this subsection instead of a distribution under subsection (b). The following apply if an ordinance is adopted under this subsection:

(1) The ordinance is effective January 1 of the following year.

(2) Except as provided in sections 25 and 26 of this chapter, the amount of the certified distribution that the county and each city and town in the county is entitled to receive during May and November of each year equals the product of:

(A) the amount of the certified distribution for the month; multiplied by

(B) a fraction. For a city or town, the numerator of the fraction equals the population of the city or the town. For a county, the numerator of the fraction equals the population of the part of the county that is not located in a city or town. The denominator of the fraction equals the sum of the population of all cities and towns located in the county and the population of the part of the county that is not located in a city or town.

(3) The ordinance may be made irrevocable for the duration of specified lease rental or debt service payments.

(d) The body imposing the tax may not adopt an ordinance under subsection (c) if, before the adoption of the proposed ordinance, any of the following have pledged the county economic development income tax for any purpose permitted by IC 5-1-14 or any other statute:

(1) The county.

(2) A city or town in the county.

(3) A commission, a board, a department, or an authority that is authorized by statute to pledge the county economic development income tax.

(e) The department of local government finance shall provide each county auditor with the fractional amount of the certified distribution that the county and each city or town in the county is entitled to receive under this section.

(f) Money received by a county, city, or town under this section shall be deposited in the unit's economic development income tax fund.

(g) Except as provided in subsection (b)(2)(B), in determining the fractional amount of the certified distribution the county and its cities and towns are entitled to receive under subsection (b) during a calendar year, the department of local government finance shall consider only property taxes imposed on tangible property subject to assessment in that county.

(h) In a county having a consolidated city, only the consolidated city is entitled to the certified distribution, subject to the requirements of sections 15, 25, and 26 of this chapter.

SECTION 71. IC 6-6-5-10, AS AMENDED BY P.L.146-2008, SECTION 353, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. (a) The bureau shall establish procedures necessary for the collection of the tax imposed by this chapter and for the proper accounting for the same. The necessary forms and records shall be subject to approval by the state board of accounts.

(b) The county treasurer, upon receiving the excise tax collections, shall receipt such collections into a separate account for settlement thereof at the same time as property taxes are accounted for and settled in June and December of each year, with the right and duty of the treasurer and auditor to make advances prior to the time of final settlement of such property taxes in the same manner as provided in IC 5-13-6-3.

(c) As used in this subsection, "taxing district" has the meaning set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, and "tuition support levy" refers to a school corporation's tuition support property tax levy under IC 20-45-3-11 (repealed) for the school corporation's general fund. The county auditor shall determine the total amount of excise taxes collected for each taxing district in the county and the amount so collected (and the distributions received under section 9.5 of this chapter) shall be apportioned and distributed among the respective funds of the taxing units in the same manner and at the same time as property taxes are apportioned and distributed **(subject to adjustment as provided in IC 36-8-19-7.5).** However, for purposes of determining distributions under this section for 2009 and each year thereafter, a state welfare and tuition support allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The county auditor shall remit the state welfare and tuition support allocation to the treasurer of state for deposit, as directed by the budget agency. The amount of the state welfare and tuition support allocation for a county for a particular year is equal to the result determined under STEP FOUR of the following formula:

STEP ONE: Determine the result of the following:

(A) Separately for 1997, 1998, and 1999 for each taxing district in the county, determine the result of:

(i) the amount appropriated in the year by the county from the county's county welfare fund and county welfare administration fund; divided by

(ii) the total amounts appropriated by all taxing units in the county for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

STEP TWO: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tax rate imposed in the taxing district for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district after subtracting the STEP ONE (D) amount for the same

taxing district; multiplied by
(ii) the clause (C) amount.
(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.
STEP THREE: Determine the result of the following:
(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:
(i) the tuition support levy tax rate imposed in the taxing district plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund in the district; divided by
(ii) the aggregate tax rate imposed in the taxing district for the same year.
(B) Determine the sum of the clause (A) amounts.
(C) Divide the clause (B) amount by three (3).
(D) Determine the result of:
(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district after subtracting the STEP ONE (D) amount for the same taxing district; multiplied by
(ii) the clause (C) amount.
(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.
STEP FOUR: Determine the sum of the STEP ONE, STEP TWO, and STEP THREE amounts for the county.

If the boundaries of a taxing district change after the years for which a ratio is calculated under STEP ONE, STEP TWO, or STEP THREE, the budget agency shall establish a ratio for the new taxing district that reflects the tax rates imposed in the predecessor taxing districts.

(d) Such determination shall be made from copies of vehicle registration forms furnished by the bureau of motor vehicles. Prior to such determination, the county assessor of each county shall, from copies of registration forms, cause information pertaining to legal residence of persons owning taxable vehicles to be verified from the assessor's records, to the extent such verification can be so made. The assessor shall further identify and verify from the assessor's records the several taxing units within which such persons reside.

(e) Such verifications shall be done by not later than thirty (30) days after receipt of vehicle registration forms by the county assessor, and the assessor shall certify such information to the county auditor for the auditor's use as soon as it is checked and completed.

SECTION 72. IC 6-6-5.5-20, AS AMENDED BY P.L.146-2008, SECTION 354, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 20. (a) On or before May 1, subject to subsections (c) and (d), the auditor of state shall distribute to each county auditor an amount equal to fifty percent (50%) of the total base revenue to be distributed to all taxing units in the county for that year.

(b) On or before December 1, subject to subsections (c) and (d), the auditor of state shall distribute to each county auditor an amount equal to the greater of the following:
(1) Fifty percent (50%) of the total base revenue to be distributed to all taxing units in the county for that year.
(2) The product of the county's distribution percentage multiplied by the total commercial vehicle excise tax revenue deposited in the commercial vehicle excise tax fund.

(c) Before distributing the amounts under subsections (a) and (b), the auditor of state shall deduct for a county unit an amount for deposit in a state fund, as directed by the budget agency, equal to the result determined under STEP FIVE of the following formula:
STEP ONE: Separately for 2006, 2007, and 2008, determine the result of:
(A) the tax rate imposed by the county in the year for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by
(B) the aggregate tax rate imposed by the county unit and, in the case of Marion County, the health and hospital corporation in the year.
STEP TWO: Determine the sum of the STEP ONE amounts.
STEP THREE: Divide the STEP TWO result by three (3).
STEP FOUR: Determine the amount that would otherwise be distributed to the county under subsection (a) or (b), as appropriate, without regard to this subsection.
STEP FIVE: Determine the result of:
(A) the STEP THREE amount; multiplied by
(B) the STEP FOUR result.

(d) Before distributing the amounts under subsections (a) and (b), the auditor of state shall deduct for a school corporation an amount for deposit in a state fund, as directed by the budget agency, equal to the result determined under STEP FIVE of the following formula:
STEP ONE: Separately for 2006, 2007, and 2008, determine the result of:
(A) the tax rate imposed by the school corporation in the year for the tuition support levy under IC 6-1.1-19-1.5 (repealed) or IC 20-45-3-11 (repealed) for the school corporation's general fund plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund; divided by
(B) the aggregate tax rate imposed by the school corporation in the year.
STEP TWO: Determine the sum of the results determined under STEP ONE.
STEP THREE: Divide the STEP TWO result by three (3).
STEP FOUR: Determine the amount of commercial vehicle excise tax that would otherwise be distributed to the school corporation under subsection (a) or (b), as appropriate, without regard to this subsection.
STEP FIVE: Determine the result of:
(A) the STEP FOUR amount; multiplied by
(B) the STEP THREE result.

(e) Upon receipt, the county auditor shall distribute to the taxing units an amount equal to the product of the taxing unit's distribution percentage multiplied by the total distributed to the county under this section. The amount determined shall be apportioned and distributed among the respective funds of each taxing unit in the same manner and at the same time as property taxes are apportioned and distributed **(subject to adjustment as provided in IC 36-8-19-7.5).**

(f) In the event that sufficient funds are not available in the commercial vehicle excise tax fund for the distributions required by subsection (a) and subsection (b)(1), the auditor of state shall transfer funds from the commercial vehicle excise tax reserve fund.

(g) The auditor of state shall, not later than July 1 of each year, furnish to each county auditor an estimate of the amounts to be distributed to the counties under this section during the next calendar year. Before August 1, each county auditor shall furnish to the proper officer of each taxing unit of the county an estimate of the amounts to be distributed to the taxing units under this section during the next calendar year and the budget of each taxing unit shall show the estimated amounts to be received for each fund for which a property tax is proposed to be levied.

SECTION 73. IC 6-6-6.5-21, AS AMENDED BY

P.L.146-2008, SECTION 355, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 21. (a) The department shall allocate each aircraft excise tax payment collected by it to the county in which the aircraft is usually located when not in operation or to the aircraft owner's county of residence if based out of state. The department shall distribute to each county treasurer on a quarterly basis the aircraft excise taxes which were collected by the department during the preceding three (3) months and which the department has allocated to that county. The distribution shall be made on or before the fifteenth of the month following each quarter and the first distribution each year shall be made in April.

(b) Concurrently with making a distribution of aircraft excise taxes, the department shall send an aircraft excise tax report to the county treasurer and the county auditor. The department shall prepare the report on the form prescribed by the state board of accounts. The aircraft excise tax report must include aircraft identification, owner information, and excise tax payment, and must indicate the county where the aircraft is normally kept when not in operation. The department shall, in the manner prescribed by the state board of accounts, maintain records concerning the aircraft excise taxes received and distributed by it.

(c) Except as provided in section 21.5 of this chapter, each county treasurer shall deposit money received by ~~him~~ **the treasurer** under this chapter in a separate fund to be known as the "aircraft excise tax fund". The money in the aircraft excise tax fund shall be distributed to the taxing units of the county in the manner prescribed in subsection (d).

(d) As used in this subsection, "taxing district" has the meaning set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, and "tuition support levy" refers to a school corporation's tuition support property tax levy under IC 20-45-3-11 (repealed) for the school corporation's general fund. In order to distribute the money in the county aircraft excise tax fund to the taxing units of the county, the county auditor shall first allocate the money in the fund among the taxing districts of the county. In making these allocations, the county auditor shall allocate to a taxing district the excise taxes collected with respect to aircraft usually located in the taxing district when not in operation. Subject to this subsection, the money allocated to a taxing district shall be apportioned and distributed among the taxing units of that taxing district in the same manner and at the same time that the property taxes are apportioned and distributed **(subject to adjustment as provided in IC 36-8-19-7.5).** For purposes of determining the distribution for a year under this section for a taxing unit, a state welfare and tuition support allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The county auditor shall remit the state welfare and tuition support allocation to the treasurer of state for deposit as directed by the budget agency. The amount of the state welfare and tuition support allocation for a county for a particular year is equal to the result determined under STEP THREE of the following formula:

STEP ONE: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tax rate imposed in the taxing district for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP TWO: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tuition support levy tax rate imposed in the taxing district plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund in the district; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP THREE: Determine the sum of the STEP ONE and STEP TWO amounts for the county.

If the boundaries of a taxing district change after the years for which a ratio is calculated under STEP ONE or STEP TWO, the budget agency shall establish a ratio for the new taxing district that reflects the tax rates imposed in the predecessor taxing districts.

(e) Within thirty (30) days following the receipt of excise taxes from the department, the county treasurer shall file a report with the county auditor concerning the aircraft excise taxes collected by the county treasurer. The county treasurer shall file the report on the form prescribed by the state board of accounts. The county treasurer shall, in the manner and at the times prescribed in IC 6-1.1-27, make a settlement with the county auditor for the aircraft excise taxes collected by the county treasurer. The county treasurer shall, in the manner prescribed by the state board of accounts, maintain records concerning the aircraft excise taxes received and distributed by ~~him.~~ **the treasurer.**

SECTION 74. IC 6-6-11-31, AS AMENDED BY P.L.146-2008, SECTION 357, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 31. (a) A boat excise tax fund is established in each county. Each county treasurer shall deposit in the fund the taxes received under this chapter.

(b) As used in this subsection, "taxing district" has the meaning set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, and "tuition support levy" refers to a school corporation's tuition support property tax levy under IC 20-45-3-11 (repealed) for the school corporation's general fund. The excise tax money in the county boat excise tax fund shall be distributed to the taxing units of the county. The county auditor shall allocate the money in the fund among the taxing districts of the county based on the tax situs of each boat. Subject to this subsection, the money allocated to the taxing units shall be apportioned and distributed among the funds of the taxing units in the same manner and at the same time that property taxes are apportioned and distributed **(subject to adjustment as provided in IC 36-8-19-7.5).** For purposes of determining the distribution

for a year under this section for a taxing unit, a state welfare and tuition support allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The county auditor shall remit the state welfare and tuition support allocation to the treasurer of state for deposit as directed by the budget agency. The amount of the state welfare and tuition support allocation for a county for a particular year is equal to the result determined under STEP THREE of the following formula:

STEP ONE: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tax rate imposed in the taxing district for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP TWO: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tuition support levy tax rate imposed in the taxing district plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund in the district; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP THREE: Determine the sum of the STEP ONE and STEP TWO amounts for the county.

If the boundaries of a taxing district change after the years for which a ratio is calculated under STEP ONE or STEP TWO, the budget agency shall establish a ratio for the new taxing district that reflects the tax rates imposed in the predecessor taxing districts.

SECTION 75. IC 6-9-39-5, AS AMENDED BY P.L.3-2008, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. (a) The fiscal body of a county may collect a county option dog tax imposed under section 3 of this chapter by any combination of the following methods:

(1) By designating one (1) or more persons in the county to collect the tax.

(2) By requiring a person who harbors or keeps a taxable dog to submit a complete and accurate county option dog tax return.

(3) By a method other than a method described in subdivision (1) or (2) as determined by the fiscal body of the county.

(b) A designee under subsection (a)(1) may retain a fee from the tax collected for each taxable dog in an amount determined by the fiscal body not to exceed seventy-five cents ($0.75). A designee shall remit the balance of the money collected to the county treasurer by the tenth day of each month.

(c) If a fiscal body chooses to collect a county option dog tax imposed under section 3 of this chapter by requiring the submission of a county option dog tax return under subsection (a), the county treasurer may include a county option dog tax return form with every property tax statement that is mailed **under IC 6-1.1-22-8.1** to a person ~~under IC 6-1.1-22-8.1(b)(1).~~ **other than a mortgagee maintaining an escrow account.**

(d) The department of local government finance shall prescribe a county option dog tax return form that a county may use for the reporting of county option dog tax liability.

SECTION 76. IC 8-10-5-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 17. (a) The board of directors of any port authority may, by resolution, recommend to any municipal corporation or county that a cumulative channel maintenance fund be established under IC 6-1.1-41 to provide funds for the:

(1) dredging of channels;

(2) cleaning of channels and shores of debris and any other pollutants;

(3) purchase, renovation, construction, or repair of bulkheads, pilings, docks, and wharves;

(4) purchase and development of land adjoining channels within the jurisdiction of the port authority and which land is necessary to the fulfillment of the plan adopted by the port authority for the future development, construction, and improvement of its facilities. The purchased and developed land shall be available to the residents of the taxing district without further charge; or

(5) regulation and enforcement of regulation of all uses and activities related to waters that are under the jurisdiction of the port authority.

(b) To provide for the cumulative channel maintenance fund:

(1) a county, city, or town fiscal body may levy a tax in compliance with IC 6-1.1-41 not to exceed:

(A) the levy imposed for the fund in the immediately preceding year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of temporary adjustments made to the levy for the calendar year, if the taxing unit levied a property tax for the fund in the immediately preceding year; or

(B) the levy imposed for the fund for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax for the fund in the immediately preceding year; however, the taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) on all taxable property within the county, town, or city; and

(2) a city described in sections 22(a) and 23(a) of this

chapter may impose the following:

(A) An annual docking fee under section 22 of this chapter.

(B) A marina launch fee under section 23 of this chapter.

(c) The revenue from a tax, an annual docking fee, or a marina launch fee collected under subsection (b) shall be held in the cumulative channel maintenance fund established under subsection (a).

SECTION 77. IC 8-14-9-12, AS AMENDED BY P.L.146-2008, SECTION 362, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 12. All bonds and interest on bonds issued under this chapter are exempt from taxation as provided under IC 6-8-5-1. All general laws relating to:

~~(1) the filing of a petition requesting the issuance of bonds;~~

~~(2)~~ **(1)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

~~(3)~~ **(2)** the appropriation of the proceeds of the bonds; ~~and the approval of the appropriation by the department of local government finance;~~ and

~~(4)~~ **(3)** the sale of bonds at public sale for not less than par value;

are applicable to proceedings under this chapter.

SECTION 78. IC 8-16-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) To provide for the cumulative bridge fund, county executives and municipal legislative bodies may levy a tax in compliance with IC 6-1.1-41 not to exceed **the following:**

(1) The levy imposed for the fund in the immediately preceding year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of temporary adjustments made to the levy for the calendar year, if the taxing unit levied a property tax for the fund in the immediately preceding year.

(2) The levy imposed for the fund for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax for the fund in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of ten cents ($0.10) on each one hundred dollars ($100) assessed valuation of all taxable personal and real property within the county or municipality.

(b) The tax, when collected, shall be held in a special fund to be known as the bridge fund.

(c) An appropriation from the bridge fund may be made without the approval of the department of local government finance if:

(1) the county executive requests the appropriation; and

(2) the appropriation is for the purpose of constructing, maintaining, or repairing bridges, approaches, or grade separations.

SECTION 79. IC 8-16-3.1-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 0.5. The definitions set forth in IC 8-16-3-1.5 apply throughout this chapter.**

SECTION 80. IC 8-16-3.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) The executive of any eligible county may provide a ~~major~~ **county** bridge fund in compliance with IC 6-1.1-41 to make available funding for **the following purposes:**

(1) The construction of major bridges.

(2) The construction, maintenance, and repair of bridges, approaches, and grade separations with respect to structures other than major bridges.

(b) The executive of any eligible county may levy a tax in compliance with IC 6-1.1-41 not to exceed **the following:**

(1) The levy imposed for the fund in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied a property tax for the fund in the immediately preceding year.

(2) The levy imposed for the fund for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax for the fund in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) assessed valuation of all taxable personal and real property within the county to provide for the ~~major~~ **county** bridge fund.

(c) In an eligible county in which a county bridge fund has been established, the county executive is responsible for providing funds for all bridges within the county, including those in municipalities, except bridges on the state highway system.

SECTION 81. IC 8-16-3.1-5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 5. An appropriation from the county bridge fund may be made without the approval of the department of local government finance if:**

(1) the county executive adopts a resolution finding that the county does not need to continue accumulating money in the fund for the construction of a major bridge;

(2) the county executive requests the appropriation; and

(3) the appropriation is for the purpose of constructing, maintaining, or repairing bridges, approaches, or grade separations with respect to structures other than major bridges.

SECTION 82. IC 8-16-3.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) A county may lease a bridge and pay the lease rental from the cumulative bridge fund and levy under IC 8-16-3.

(b) A contract of lease may not be entered into unless there is first filed with the county executive a petition for a longer lease, signed by fifty (50) or more taxpaying citizens of the county, and the county executive has, after investigation, determined that a need exists for the bridge. The total annual dollar obligation under all contracts of lease for bridges made by a county may not exceed **the following:**

(1) The amount appropriated for obligations from property taxes from the fund in the immediately

preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount from the fund for obligations in the immediately preceding year. (2) The appropriation for obligations from property taxes from the fund in the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount for obligations from property taxes from the fund in the immediately preceding year. The taxing unit may not appropriate an amount under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the county's estimated annual revenue from a cumulative bridge fund levy of twenty cents ($0.20) on each one hundred dollars ($100) on all taxable personal and real property within the county.

SECTION 83. IC 8-16-3.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 4. All contracts of lease may provide that a county has the option to purchase the bridge before the expiration of the lease contract. ~~the terms and conditions of the purchase to be specified in the lease, subject to the approval of the department of local government finance.~~ If the county has not exercised an option to purchase the property covered by the lease contract at the expiration of the lease contract, and upon the full discharge and performance by the county of its obligations under the lease contract, the bridge covered by the lease contract shall become the absolute property of the county and the lessor corporation shall execute proper instruments conveying to the county title to the property.

SECTION 84. IC 8-16-3.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 7. (a) A county may, in anticipation of the construction of a bridge, make and enter into a contract of lease with the lessor corporation, ~~subject to the approval of the department of local government finance prior to the actual acquisition of a site and the construction of the bridge,~~ but the contract of lease shall not provide for the payment of any lease rental by the lessee until the bridge is completed and ready for use, at which time the stipulated lease rental may begin.

(b) As a condition of entering into a lease, a county may require a lessor corporation to furnish a bond in a specified amount conditioned upon the completion of the bridge within a specified period of time.

SECTION 85. IC 8-16-3.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8. (a) When the lessor corporation and the county have agreed upon the terms and conditions of any lease proposed to be entered into under this chapter and before the final execution of the lease, a notice must be published in accordance with IC 5-3-1 of a hearing before the county executive. The notice must name the day, place, and hour of the hearing and must set forth a brief summary of the principal terms of the lease agreed upon, including the location, name of the proposed lessor corporation and character of the bridge to be leased, the rental to be paid, and the number of years the contract is to be in effect. The proposed lease, drawings, plans, specifications, and estimates for the bridge shall be available for inspection by the public during the ten (10) day period and at the meeting. All interested persons shall have a right to be heard at the time fixed, concerning the necessity for the execution of the lease and whether the rental to the lessor corporation is a fair and reasonable rental for the proposed bridge. The hearing may be adjourned to a later date, and following the hearing the county executive may either authorize the execution of the lease as originally agreed upon or may make modifications as agreed upon with the lessor corporation. However, the lease rentals as set out in the published notice may not be increased. The cost of the publication of the notice shall be borne by lessor corporations.

(b) If the execution of the lease as originally agreed upon, or as modified by agreement, is authorized by the county executive, it shall give notice of the execution of the contract by publication in accordance with IC 5-3-1. ~~Ten (10) or more taxpayers in the lessee county affected by the proposed lease may file a petition in the office of the county auditor of the lessee county, within thirty (30) days after publication of notice of the execution of the lease, setting forth their objections and facts showing that the execution of the lease is unnecessary or unwise, or that the lease rental is not fair and reasonable. Upon the filing of any petition, the county auditor shall certify a copy, together with any other data as may be necessary in order to present the questions involved, to the department of local government finance and upon the receipt of the certified petition and information, the department of local government finance shall fix a time and place for the hearing in the county not less than five (5) or more than thirty (30) days after receipt of the petition. Notice of the hearing shall be given by the department of local government finance to the county commissioners of the lessee county, and to the first ten (10) taxpayer-petitioners appearing on the petition by a letter signed by one (1) member of the department of local government finance, and enclosed with full prepaid postage addressed to those persons at their usual place of residence, at least five (5) days before the date of the hearing. A:~~

~~(1) taxpayer who signed the petition; or~~

~~(2) political subdivision against which a petition is filed;~~

~~may petition for judicial review of the final determination of the department of local government finance under this subsection. The petition must be filed in the tax court not more than forty-five (45) days after the date of the department's final determination.~~

(c) No action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease shall be instituted at any time later than thirty (30) days after publication of notice of the execution of the lease by the county executive. ~~or if an appeal has been taken to the department of local government finance, then within thirty (30) days after the decision of the department.~~

SECTION 86. IC 8-22-2-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 18.5. (a) The board may negotiate terms and borrow money from any source for the payment of the costs of airport capital improvements, including the acquisition of real property or construction or improvement of revenue producing buildings or facilities located on an airport and owned and operated by the eligible entity, subject to the following requirements:

(1) The loan contract must be approved by resolution of the board and the fiscal body of the eligible entity that established the board.

(2) The loan contract must provide for the repayment of the loan in not more than forty (40) years.

(3) The loan contract must state that the indebtedness is that of the board, is payable solely from revenues of the board that are derived from either airport operations or from revenue bonds, and may not be paid by a tax levied on property located within the district.

~~(4) The loan contract must be submitted to the department of local government finance, which may approve, disapprove, or reduce the amount of the proposed loan contract. The department of local government finance must make a decision on the loan contract within thirty (30) days~~

~~after the contract is submitted for review. The action taken by the department of local government finance on the proposed loan contract is final.~~

(b) A loan contract issued under this chapter is issued for essential public and governmental purposes. A loan contract, the interest on the contract, the proceeds received by a holder from the sale of a loan contract to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of the interest and proceeds are exempt from taxation as provided in IC 6-8-5.

SECTION 87. IC 8-22-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. The board may do all acts necessary or reasonably incident to carrying out the purposes of this chapter, including the following:

(1) As a municipal corporation, to sue and be sued in its own name.

(2) To have all the powers and duties conferred by statute upon boards of aviation commissioners. The board supersedes all boards of aviation commissioners within the district. The board has exclusive jurisdiction within the district.

(3) To protect all property owned or managed by the board.

(4) To adopt an annual budget and levy taxes in accordance with this chapter **and comply with the following:**

(A) The board may not levy taxes on property in excess of **the following:**

(i) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(ii) If the taxing unit did not levy taxes on property in the immediately preceding calendar year, the taxing unit may levy the amount determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. However, the taxing unit may not impose a levy under this item, and the department of local government finance may not approve a levy under this item, that exceeds the levy that would be raised by imposing the following rate schedule, except as provided in sections 17 and 25 of this chapter:

Total Assessed Property Valuation	Rate Per $100 Of Assessed Valuation
$300 million or less	$0.10
More than $300 million but not more than $450 million	$0.0833
More than $450 million but not more than $600 million	$0.0667
More than $600 million but not more than $900 million	$0.05
More than $900 million	$0.0333

(B) Clause (A) does not apply to an authority that was established under IC 19-6-2 or IC 19-6-3 (before their repeal on April 1, 1980).

(C) The board of an authority that was established under IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes on property not in excess **of the following:**

(i) The levy imposed for the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(ii) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this item, and the department of local government finance may not approve a levy under this item, that exceeds the levy that would be raised by imposing a property tax rate of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of assessed valuation.

(5) To incur indebtedness in the name of the authority in accordance with this chapter.

(6) To adopt administrative procedures, rules, and regulations.

(7) To acquire property, real, personal, or mixed, by deed, purchase, lease, condemnation, or otherwise and dispose of it for use or in connection with or for administrative purposes of the airport; to receive gifts, donations, bequests, and public trusts and to agree to conditions and terms accompanying them and to bind the authority to carry them out; to receive and administer federal or state aid; and to erect buildings or structures that may be needed to administer and carry out this chapter.

(8) To determine matters of policy regarding internal organization and operating procedures not specifically provided for otherwise.

(9) To adopt a schedule of reasonable charges and to collect them from all users of facilities and services within the district.

(10) To purchase supplies, materials, and equipment to carry out the duties and functions of the board in accordance with procedures adopted by the board.

(11) To employ personnel that are necessary to carry out the duties, functions, and powers of the board.

(12) To establish an employee pension plan. The board may, upon due investigation, authorize and begin a fair and reasonable pension or retirement plan and program for personnel, the cost to be borne by either the authority or by the employee or by both, as the board determines. If the authority was established under IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must be borne by the authority, and ordinances creating the plan or making changes in it must be approved by the mayor of the city. The plan may be administered and funded by a trust fund or by insurance purchased from an insurance company licensed to do business in Indiana or by a combination of them. The board may also include in the plan provisions for life insurance, disability insurance, or both.

(13) To sell surplus real or personal property in accordance with law. If the board negotiates an agreement to sell trees situated in woods or forest areas owned by the board, the trees are considered to be personal property of the board for severance or sale.

(14) To adopt and use a seal.

(15) To acquire, establish, construct, improve, equip, maintain, control, lease, and regulate municipal airports, landing fields, and other air navigation facilities, either inside or outside the district; to acquire by lease (with or without the option to purchase) airports, landing fields, or navigation facilities, and any structures, equipment, or related improvements; and to erect, install, construct, and

maintain at the airport or airports facilities for the servicing of aircraft and for the comfort and accommodation of air travelers and the public. The Indiana department of transportation must grant its approval before land may be purchased for the establishment of an airport or landing field and before an airport or landing field may be established.

(16) To fix and determine exclusively the uses to which the airport lands may be put. All uses must be necessary or desirable to the airport or the aviation industry and must be compatible with the uses of the surrounding lands as far as practicable.

(17) To elect a secretary from its membership, or to employ a secretary, an airport director, superintendents, managers, a treasurer, engineers, surveyors, attorneys, clerks, guards, mechanics, laborers, and all employees the board considers expedient, and to prescribe and assign their respective duties and authorities and to fix and regulate the compensation to be paid to the persons employed by it in accordance with the authority's appropriations. All employees shall be selected irrespective of their political affiliations.

(18) To make all rules and regulations, consistent with laws regarding air commerce, for the management and control of its airports, landing fields, air navigation facilities, and other property under its control.

(19) To acquire by lease the use of an airport or landing field for aircraft pending the acquisition and improvement of an airport or landing field.

(20) To manage and operate airports, landing fields, and other air navigation facilities acquired or maintained by an authority; to lease all or part of an airport, landing field, or any buildings or other structures, and to fix, charge, and collect rentals, tolls, fees, and charges to be paid for the use of the whole or a part of the airports, landing fields, or other air navigation facilities by aircraft landing there and for the servicing of the aircraft; to construct public recreational facilities that will not interfere with air operational facilities; to fix, charge, and collect fees for public admissions and privileges; and to make contracts for the operation and management of the airports, landing fields, and other air navigation facilities; and to provide for the use, management, and operation of the air navigation facilities through lessees, its own employees, or otherwise. Contracts or leases for the maintenance, operation, or use of the airport or any part of it may be made for a term not exceeding fifteen (15) years and may be extended for similar terms of years, except that any parcels of the land of the airport may be leased for any use connected with the operation and convenience of the airport for an initial term not exceeding forty (40) years and may be extended for a period not to exceed ten (10) years. If a person whose character, experience, and financial responsibility has been determined satisfactory by the board offers to erect a permanent structure that facilitates and is consistent with the operation, use, and purpose of the airport on land belonging to the airport, a lease may be entered into for a period not to exceed ninety-nine (99) years. However, the board must pass an ordinance to enter into such a lease. The board may not grant an exclusive right for the use of a landing area under its jurisdiction. However, this does not prevent the making of leases in accordance with other provisions of this chapter. All contracts and leases are subject to restrictions and conditions that the board prescribes. The authority may lease its property and facilities for any commercial or industrial use it considers necessary and proper, including the use of providing airport motel facilities.

(21) To sell machinery, equipment, or material that is not required for aviation purposes. The proceeds shall be deposited with the treasurer of the authority.

(22) To negotiate and execute contracts for sale or purchase, lease, personal services, materials, supplies, equipment, or any other transaction or business relative to an airport under the board's control and operation. However, whenever the board determines to sell part or all of aviation lands, buildings, or improvements owned by the authority, the sale must be in accordance with law.

(23) To vacate all or parts of roads, highways, streets, or alleys, whether inside or outside the district, in the manner provided by statute.

(24) To annex lands to itself if the lands are owned by the authority or are streets, roads, or other public ways.

(25) To approve any state, county, city, or other highway, road, street or other public way, railroad, power line, or other right-of-way to be laid out or opened across an airport or in such proximity as to affect the safe operation of the airport.

(26) To construct drainage and sanitary sewers with connections and outlets as are necessary for the proper drainage and maintenance of an airport or landing field acquired or maintained under this chapter, including the necessary buildings and improvements and for the public use of them in the same manner that the authority may construct sewers and drains. However, with respect to the construction of drains and sanitary sewers beyond the boundaries of the airport or landing field, the board shall proceed in the same manner as private owners of property and may institute proceedings and negotiate with the departments, bodies, and officers of an eligible entity to secure the proper orders and approvals; and to order a public utility or public service corporation or other person to remove or to install in underground conduits wires, cables, and power lines passing through or over the airport or landing field or along the borders or within a reasonable distance that may be determined to be necessary for the safety of operations, upon payment to the utility or other person of due compensation for the expense of the removal or reinstallation. The board must consent before any franchise may be granted by state or local authorities for the construction of or maintenance of railway, telephone, telegraph, electric power, pipe, or conduit line upon, over, or through land under the control of the board or within a reasonable distance of land that is necessary for the safety of operation. The board must also consent before overhead electric power lines carrying a voltage of more than four thousand four hundred (4,400) volts and having poles, standards, or supports over thirty (30) feet in height within one-half (½) mile of a landing area acquired or maintained under this chapter may be installed.

(27) To contract with any other state agency or instrumentality or any political subdivision for the rendition of services, the rental or use of equipment or facilities, or the joint purchase and use of equipment or facilities that are necessary for the operation, maintenance, or construction of an airport operated under this chapter.

(28) To provide air transportation in furtherance of the duties and responsibilities of the board.

(29) To promote or encourage aviation-related trade or commerce at the airports that it operates.

SECTION 88. IC 8-22-3-16, AS AMENDED BY P.L.146-2008, SECTION 364, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 16. (a) The board may issue general obligation bonds of the authority for the purpose of procuring funds to pay the cost of acquiring real property, or constructing, enlarging, improving, remodeling, repairing, or equipping buildings, structures, runways, or other facilities, for use as or in

connection with or for administrative purposes of the airport. The issuance of the bonds must be authorized by ordinance of the board providing for the amount, terms, and tenor of the bonds and for the time and character of notice and the mode of making sale. If one (1) airport is owned by the authority, an ordinance authorizing the issuance of bonds for a separate second airport is subject to approval as provided in this section. The bonds bear interest and are payable at the times and places that the board determines but running not more than twenty-five (25) years after the date of their issuance, and they must be executed in the name of the authority by the president of the board and attested by the secretary who shall affix to each of the bonds the official seal of the authority. The interest coupons attached to the bonds may be executed by placing on them the facsimile signature of the president of the board.

(b) The issuance of general obligation bonds must be approved by resolution of the following body:

(1) When the authority is established by an eligible entity, by its fiscal body.

(2) When the authority is established by two (2) or more eligible entities acting jointly, by the fiscal body of each of those entities.

(3) When the authority was established under IC 19-6-2 (before its repeal), by the mayor of the consolidated city, and if a second airport is to be funded, also by the city-county council.

(4) When the authority was established under IC 19-6-3 (before its repeal), by the county council.

(c) The airport director shall manage and supervise the preparation, advertisement, and sale of the bonds, subject to the authorizing ordinance. Before the sale of the bonds, the airport director shall cause notice of the sale to be published once each week for two (2) consecutive weeks in two (2) newspapers of general circulation published in the district, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest bidder, in accordance with the procedures for selling public bonds. After the bonds have been properly sold and executed, the airport director shall deliver them to the treasurer of the authority and take a receipt for them, and shall certify to the treasurer the amount which the purchaser is to pay for them, together with the name and address of the purchaser. On payment of the purchase price, the treasurer shall deliver the bonds to the purchaser, and the treasurer and airport director or superintendent shall report their actions to the board.

(d) The provisions of IC 6-1.1-20 and IC 5-1 relating to:

~~(1) the filing of a petition requesting the issuance of bonds and giving notice of them;~~

~~(2)~~ **(1)** the giving of notice of determination to issue bonds;

~~(3)~~ **(2)** the giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation;

~~(4) the approval of the appropriation by the department of local government finance;~~

~~(5)~~ **(3)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a); and

~~(6)~~ **(4)** the sale of bonds at public sale for not less than par value;

are applicable to proceedings under this chapter for the issuance of general obligation bonds.

(e) Bonds issued under this chapter are not a corporate obligation or indebtedness of any eligible entity but are an indebtedness of the authority as a municipal corporation. An action to question the validity of the bonds issued or to prevent their issue must be instituted not later than the date set for sale of the bonds, and all of the bonds after that date are incontestable.

SECTION 89. IC 8-22-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 19. (a) Temporary loans may be made by the board in anticipation of the collection of taxes of the authority actually levied and in course of collection for the fiscal year in which the loans are made. The loans must be authorized by ordinance and evidenced by warrants in the form provided by the authorizing ordinance. The warrants must state the total amount of the issue, the denomination of the warrant, the time and place payable, the rate of interest, the funds in anticipation of which they are issued and out of which they are payable, and a reference to the ordinance authorizing them and the date of its adoption. The ordinance authorizing temporary loans must appropriate and pledge a sufficient amount of the current revenue in anticipation of which they are issued and out of which they are payable. The warrants evidencing the temporary loans must be executed, sold, and delivered as are bonds of the authority.

(b) The board may negotiate terms and borrow money from any source under a loan contract, subject to the following requirements:

(1) The loan contract must be approved by resolution of the board.

(2) The loan contract must provide for the repayment of the loan in not more than forty (40) years.

(3) The loan contract must state that the indebtedness is that of the authority, is payable solely from revenues of the authority that are derived from either airport operations or from revenue bonds, and may not be paid by a tax levied on property located within the district.

~~(4) The loan contract must be submitted to the department of local government finance, which may approve, disapprove, or reduce the amount of the proposed loan contract. The department of local government finance must make a decision on the loan contract within thirty (30) days after it is submitted for review. The action taken by the department of local government finance on the proposed loan contract is final.~~

(c) Any loan contract issued under this chapter is issued for essential public and governmental purposes. A loan contract, the interest on it, the proceeds received by a holder from the sale of a loan contract to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of the interest and proceeds are exempt from taxation as provided in IC 6-8-5.

SECTION 90. IC 8-22-3-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 25. (a) Subject to subsection (c), the board may provide a cumulative building fund in compliance with IC 6-1.1-41 to provide for the acquisition of real property, and the construction, enlarging, improving, remodeling, repairing, or equipping of buildings, structures, runways, or other facilities for use in connection with the airport needed to carry out this chapter and to facilitate and support commercial intrastate air transportation.

(b) The board may levy in compliance with IC 6-1.1-41 a tax not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the immediately preceding calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local

government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. However, the taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of:

~~(1)~~ **(A)** thirty-three hundredths of one cent ($0.0033) on each one hundred dollars ($100) of assessed value of taxable property within the district, if an eligible entity other than a city established the district or if the district was established jointly with an eligible entity that is not a city;

~~(2)~~ **(B)** one and thirty-three hundredths cents ($0.0133) on each one hundred dollars ($100) of assessed value of taxable property within the district, if the authority was established under IC 19-6-3 (before its repeal on April 1, 1980); and

~~(3)~~ **(C)** for any other district not described in ~~subdivision (1) or (2),~~ **clause (A) or (B),** the following:

Total Assessed Property Valuation	Rate Per $100 Of Assessed Valuation
$300 million or less	$0.0167
More than $300 million but not more than $450 million	$0.0133
More than $450 million but not more than $600 million	$0.01
More than $600 million but not more than $900 million	$0.0067
More than $900 million	$0.0033

As the tax is collected it may be invested in negotiable United States bonds or other securities that the federal government has the direct obligation to pay. Any of the funds collected that are not invested in government obligations shall be deposited in accordance with IC 5-13-6 and shall be withdrawn in the same manner as money is regularly withdrawn from the general fund but without further or additional appropriation. The levy authorized by this section is in addition to the levies authorized by section 11 and section 23 of this chapter.

(c) Spending under subsection (a) to facilitate and support commercial intrastate air transportation is subject to a maximum of one million dollars ($1,000,000) cumulatively for all years in which money is spent under that subsection.

SECTION 91. IC 8-22-3.6-3, AS AMENDED BY P.L.146-2008, SECTION 367, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3. (a) An authority that is located in a:

(1) city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000);

(2) county having a population of more than one hundred five thousand (105,000) but less than one hundred ten thousand (110,000); or

(3) county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000);

may enter into a lease of an airport project with a lessor for a term not to exceed fifty (50) years and the lease may provide for payments to be made by the airport authority from property taxes levied under IC 8-22-3-17, taxes allocated under IC 8-22-3.5-9, any other revenues available to the airport authority, or any combination of these sources.

(b) A lease may provide that payments by the authority to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the authority or the eligible entity for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the authority only after a public hearing by the board at which all interested parties are provided the opportunity to be heard. After the public hearing, the board may adopt an ordinance authorizing the execution of the lease if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the authority and is in the best interest of the residents of the authority district.

~~(d) Upon execution of a lease providing for payments by the authority in whole or in part from the levy of property taxes under IC 8-22-3-17, the board shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. Fifty (50) or more taxpayers residing in the authority district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be.~~

~~(e) Upon the filing of a petition under subsection (d), the county auditor shall immediately certify a copy of the petition, together with any other data necessary to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for a hearing in the authority district, which must be not less than five (5) or more than thirty (30) days after the time is fixed. Notice of the hearing shall be given by the department of local government finance to the members of the board, and to the first fifty (50) petitioners on the petition, by a letter signed by the commissioner of the department of local government finance and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance or on the appeal, upon the necessity for the execution of the lease, and as to whether the payments under it are fair and reasonable, is final.~~

~~(f)~~ **(d)** An authority entering into a lease payable from any sources permitted under this chapter may:

(1) pledge the revenue to make payments under the lease pursuant to IC 5-1-14-4; or

(2) establish a special fund to make the payments.

~~(g)~~ **(e)** Lease rentals may be limited to money in the special fund so that the obligations of the airport authority to make the lease rental payments are not considered debt of the unit or the district for purposes of the Constitution of the State of Indiana.

~~(h)~~ **(f)** Except as provided in ~~this section,~~ **IC 6-1.1-17-20.5,** no approvals of any governmental body or agency are required before the authority enters into a lease under this section.

~~(i)~~ **(g)** An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after ~~the later of:~~

~~(1)~~ the public hearing described in subsection (c). ~~or~~

~~(2) the publication of the notice of the execution and approval of the lease described in subsection (d), if the lease is payable in whole or in part from tax levies.~~

~~However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the department of local government finance, an action to contest the validity or enjoin the performance must be brought within thirty (30) days after the decision of the department of local government finance.~~

~~(j)~~ **(h)** If an authority exercises an option to buy an airport project from a lessor, the authority may subsequently sell the airport project, without regard to any other statute, to the lessor

at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the authority through auction, appraisal, or arms length negotiation. If the airport project is sold at auction, after appraisal, or through negotiation, the board shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days of the hearing.".

Page 27, between lines 32 and 33, begin a new paragraph and insert:

"SECTION 94. IC 12-29-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) The county executive of a county may authorize the furnishing of financial assistance to a community mental retardation and other developmental disabilities center that is located or will be located in the county.

(b) Assistance authorized under this section shall be used for the following purposes:

(1) Constructing a center.

(2) Operating a center.

(c) Upon request of the county executive, the county fiscal body may appropriate annually from the county's general fund the money to provide financial assistance for the purposes described in subsection (b). The appropriation may not exceed **the following:**

(1) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes from the fund in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the amount that could be collected from an annual tax levy of not more than three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property within the county.

SECTION 95. IC 12-29-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) If a community mental retardation and other developmental disabilities center is organized to provide services to at least two (2) counties, the county executive of each county may authorize the furnishing of financial assistance for the purposes described in section 1(b) of this chapter.

(b) Upon the request of the county executive of the county, the county fiscal body of each county may appropriate annually from the county's general fund the money to provide financial assistance for the purposes described in section 1(b) of this chapter. The appropriation of each county may not exceed **the following:**

(1) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes from the fund in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the amount that could be collected from an annual tax levy of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property within the county.

SECTION 96. IC 12-29-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The county executive of each county whose residents may receive services from a community mental retardation and other developmental disabilities center may authorize the furnishing of a share of financial assistance for the purposes described in section 1(b) of this chapter if the following conditions are met:

(1) The facilities for the center are located in a state adjacent to Indiana.

(2) The center is organized to provide services to Indiana residents.

(b) Upon the request of the county executive of a county, the county fiscal body of the county may appropriate annually from the county's general fund the money to provide financial assistance for the purposes described in section 1(b) of this chapter. The appropriations of the county may not exceed **the following:**

(1) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes from the fund in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the amount that could be collected from an annual tax levy of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property within the county.

SECTION 97. IC 12-29-1-5, AS AMENDED BY P.L.146-2008, SECTION 419, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. All general Indiana statutes relating

to the following apply to the issuance of county bonds under this chapter:

~~(1) The filing of a petition requesting the issuance of bonds.~~

~~(2)~~ **(1)** The giving of notice of the following:

~~(A) The filing of the petition requesting the issuance of the bonds.~~

~~(B)~~ **(A)** The determination to issue bonds.

~~(C)~~ **(B)** A hearing on the appropriation of the proceeds of the bonds.

~~(3)~~ **(2)** The right of taxpayers to appear and be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance (before January 1, 2009).~~

~~(5) Before July 1, 2008, the right of taxpayers and voters to remonstrate against the issuance of bonds.~~

~~(6) After June 30, 2008.~~ **(3) The right of:**

(A) ~~the right of~~ taxpayers and voters to remonstrate against the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

SECTION 98. IC 12-29-2-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.2. (a) The county executive of a county may authorize the furnishing of financial assistance for the purposes described in subsection (b) to a community mental health center that is located or will be located:

(1) in the county;

(2) anywhere in Indiana, if the community mental health center is organized to provide services to at least two (2) counties, including the county executive's county; or

(3) in an adjacent state, if the center is organized to provide services to Indiana residents, including residents in the county executive's county.

If a community mental health center is organized to serve more than one (1) county, upon request of the county executive, each county fiscal body may appropriate money annually from the county's general fund to provide financial assistance for the community mental health center.

(b) Assistance authorized under this section shall be used for the following purposes:

(1) Constructing a community mental health center.

(2) Operating a community mental health center.

(c) The appropriation from a county authorized under subsection (a) may not exceed ~~the following:~~

~~(1) For 2004, the product of the amount determined under section 2(b)(1) of this chapter multiplied by one and five hundred four thousandths (1.504).~~

~~(2) For 2005 and each year thereafter,~~ the product of the amount determined under section ~~2(b)(2)~~ **2(b)** of this chapter for that year multiplied by one and five hundred four thousandths (1.504).

SECTION 99. IC 12-29-2-2, AS AMENDED BY P.L.123-2008, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) A county shall fund the operation of community mental health centers in the amount determined under subsection (b), unless a lower tax levy amount will be adequate to fulfill the county's financial obligations under this chapter in any of the following situations:

(1) If the total population of the county is served by one (1) center.

(2) If the total population of the county is served by more than one (1) center.

(3) If the partial population of the county is served by one (1) center.

(4) If the partial population of the county is served by more than one (1) center.

(b) The amount of funding under subsection (a) for taxes first due and payable in a calendar year is, ~~the following:~~

~~(1) For 2004, the amount is the amount determined under STEP THREE of the following formula:~~

~~STEP ONE: Determine the amount that was levied within the county to comply with this section from property taxes first due and payable in 2002.~~

~~STEP TWO: Multiply the STEP ONE result by the county's assessed value growth quotient for the ensuing year 2003, as determined under IC 6-1.1-18.5-2.~~

~~STEP THREE: Multiply the STEP TWO result by the county's assessed value growth quotient for the ensuing year 2004, as determined under IC 6-1.1-18.5-2.~~

~~(2)~~ except as provided in subsection (c), ~~for 2005 and each year thereafter,~~ the result equal to:

~~(A)~~ **(1)** the amount that was levied in the county to comply with this section from property taxes first due and payable in the calendar year immediately preceding the ensuing calendar year; multiplied by

~~(B)~~ **(2)** the county's ~~assessed value~~ **levy** growth ~~quotient~~ **multiplier** for the ensuing calendar year, as determined under IC 6-1.1-18.5-2.

(c) This subsection applies only to property taxes first due and payable after December 31, 2007. This subsection applies only to a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30. Notwithstanding any provision in this section or any other section of this chapter, for a county subject to this subsection, the county's maximum property tax levy under this section to fund the operation of community mental health centers for the ensuing calendar year is equal to the county's maximum property tax levy to fund the operation of community mental health centers for the current calendar year.

(d) Except as provided in subsection (h), the county shall pay to the division of mental health and addiction the part of the funding determined under subsection (b) that is appropriated solely for funding the operations of a community health center. The funding required under this section for operations of a community health center shall be paid by the county to the division of mental health and addiction. These funds shall be used solely for satisfying the nonfederal share of medical assistance payments to community mental health centers serving the county for:

(1) allowable administrative services; and

(2) community mental health rehabilitation services.

All other funding appropriated for the purposes allowed under section 1.2(b)(1) of this chapter shall be paid by the county directly to the community mental health center semiannually at the times that the payments are made under subsection (e).

(e) The county shall appropriate and disburse the funds for operations semiannually not later than December 1 and June 1 in an amount equal to the amount determined under subsection (b) and requested in writing by the division of mental health and addiction. The total funding amount paid to the division of mental health and addiction for a county for each calendar year may not exceed the amount that is calculated in subsection (b) and set forth in writing by the division of mental health and addiction for the county. Funds paid to the division of mental health and addiction by the county shall be submitted by the county in a timely manner after receiving the written request from the division of mental health and addiction, to ensure current year compliance with the community mental health rehabilitation program and any administrative requirements of the program.

(f) The division of mental health and addiction shall ensure that the nonfederal share of funding received from a county under this program is applied only for matching federal funds for the

designated community mental health centers to the extent a center is eligible to receive county funding under IC 12-21-2-3(a)(5)(E).

(g) The division of mental health and addiction:

(1) shall first apply state funding to a community mental health center's nonfederal share of funding under this program; and

(2) may next apply county funding received under ~~IC 12-29-2-2~~ **this section** to any remaining nonfederal share of funding for the community mental health center.

The division shall distribute any excess state funds that exceed the community mental health rehabilitation services nonfederal share applied to a community mental health center that is entitled to the excess state funds.

(h) The health and hospital corporation of Marion County created by IC 16-22-8-6 may make payments to the division for the operation of a community mental health center as described in this chapter.

SECTION 100. IC 12-29-2-13, AS AMENDED BY P.L.99-2007, SECTION 151, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. (a) This section applies to Lake County.

(b) In addition to any other appropriation under this article, the county annually may fund each center serving the county from the county's general fund in an amount not exceeding ~~the following:~~

~~(1) For 2004, the product of the amount determined under section 2(b)(1) of this chapter multiplied by seven hundred fifty-two thousandths (0.752).~~

~~(2) For 2005 and each year thereafter,~~ the product of the amount determined under section ~~2(b)(2)~~ **2(b)** of this chapter for that year multiplied by seven hundred fifty-two thousandths (0.752).

(c) The receipts from the tax levied under this section shall be used for the leasing, purchasing, constructing, or operating of community residential facilities for individuals with a mental illness (as defined in IC 12-7-2-167).

(d) Money appropriated under this section must be:

(1) budgeted under IC 6-1.1-17; and

(2) included in the center's budget submitted to the division of mental health and addiction.

(e) Permission for a levy increase in excess of the levy limitations may be ordered under IC 6-1.1-18.5-15 only if the levy increase is approved by the division of mental health and addiction for a community mental health center.

SECTION 101. IC 12-29-2-18, AS AMENDED BY P.L.146-2008, SECTION 420, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 18. All general Indiana statutes relating to the following apply to the issuance of county bonds under this chapter:

~~(1) The filing of a petition requesting the issuance of bonds.~~

~~(2)~~ **(1)** The giving of notice of the following:

~~(A) The filing of the petition requesting the issuance of the bonds.~~

~~(B)~~ **(A)** The determination to issue bonds.

~~(C)~~ **(B)** A hearing on the appropriation of the proceeds of the bonds.

~~(3)~~ **(2)** The right of taxpayers to appear and be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance.~~

~~(5)~~ **(3)** The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

SECTION 102. IC 12-29-3-6, AS AMENDED BY P.L.99-2007, SECTION 152, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) As used in this section, "community mental retardation and other developmental disabilities center" means a community center that is:

(1) incorporated under IC 23-7-1.1 (before its repeal August 1, 1991) or IC 23-17;

(2) organized for the purpose of providing services for individuals with mental retardation and other individuals with a developmental disability;

(3) approved by the division of disability and rehabilitative services; and

(4) accredited for the services provided by one (1) of the following organizations:

(A) The Commission on Accreditation of Rehabilitation Facilities (CARF), or its successor.

(B) The Council on Quality and Leadership in Supports for People with Disabilities, or its successor.

(C) The Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or its successor.

(D) The National Commission on Quality Assurance, or its successor.

(E) An independent national accreditation organization approved by the secretary.

(b) The county executive of a county may authorize the furnishing of financial assistance to a community mental retardation and other developmental disabilities center serving the county.

(c) Upon the request of the county executive, the county fiscal body may appropriate annually, from the general fund of the county, money to provide financial assistance in an amount not to exceed the **following:**

(1) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes from the fund in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the amount that could be collected from the annual tax levy of sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of taxable property.

SECTION 103. IC 13-18-8-2, AS AMENDED BY P.L.146-2008, SECTION 421, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 2. (a) If the offender is a municipal corporation, the cost of:

(1) acquisition, construction, repair, alteration, or extension of the necessary plants, machinery, or works; or

(2) taking other steps that are necessary to comply with the order;

shall be paid out of money on hand available for these purposes or out of the general money of the municipal corporation not otherwise appropriated.

(b) If there is not sufficient money on hand or unappropriated, the necessary money shall be raised by the issuance of bonds. ~~The bond issue is subject only to the approval of the department of local government finance (before July 1, 2008).~~

SECTION 104. IC 13-21-3-12, AS AMENDED BY P.L.114-2008, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. Except as provided in section 14.5 of this chapter, the powers of a district include the following:

(1) The power to develop and implement a district solid waste management plan under IC 13-21-5.

(2) The power to impose district fees on the final disposal of solid waste within the district under IC 13-21-13.

(3) The power to receive and disburse money, if the primary purpose of activities undertaken under this subdivision is to carry out the provisions of this article.

(4) The power to sue and be sued.

(5) The power to plan, design, construct, finance, manage, own, lease, operate, and maintain facilities for solid waste management.

(6) The power to enter with any person into a contract or an agreement that is necessary or incidental to the management of solid waste. Contracts or agreements that may be entered into under this subdivision include those for the following:

(A) The design, construction, operation, financing, ownership, or maintenance of facilities by the district or any other person.

(B) The managing or disposal of solid waste.

(C) The sale or other disposition of materials or products generated by a facility.

Notwithstanding any other statute, the maximum term of a contract or an agreement described in this subdivision may not exceed forty (40) years.

(7) The power to enter into agreements for the leasing of facilities in accordance with IC 36-1-10 or IC 36-9-30.

(8) The power to purchase, lease, or otherwise acquire real or personal property for the management or disposal of solid waste.

(9) The power to sell or lease any facility or part of a facility to any person.

(10) The power to make and contract for plans, surveys, studies, and investigations necessary for the management or disposal of solid waste.

(11) The power to enter upon property to make surveys, soundings, borings, and examinations.

(12) The power to:

(A) accept gifts, grants, loans of money, other property, or services from any source, public or private; and

(B) comply with the terms of the gift, grant, or loan.

(13) The power to levy a tax within the district to pay costs of operation in connection with solid waste management **is** subject to ~~the following: (A)~~ regular budget and tax levy procedures **and** ~~(B)~~ section 16 of this chapter. ~~However,~~ Except as provided in ~~sections 15 and~~ **section** 15.5 of this chapter, **a tax levied under this subdivision may not exceed the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate ~~imposed~~ under this article ~~may not exceed~~ **of** eight and thirty-three hundredths cents ($0.0833) on each one hundred dollars ($100) of assessed valuation of property in the district.

(14) The power to borrow in anticipation of taxes.

(15) The power to hire the personnel necessary for the management or disposal of solid waste in accordance with an approved budget and to contract for professional services.

(16) The power to otherwise do all things necessary for the:

(A) reduction, management, and disposal of solid waste; and

(B) recovery of waste products from the solid waste stream;

if the primary purpose of activities undertaken under this subdivision is to carry out the provisions of this article.

(17) The power to adopt resolutions that have the force of law. However, a resolution is not effective in a municipality unless the municipality adopts the language of the resolution by ordinance or resolution.

(18) The power to do the following:

(A) Implement a household hazardous waste and conditionally exempt small quantity generator (as described in 40 CFR 261.5(a)) collection and disposal project.

(B) Apply for a household hazardous waste collection and disposal project grant under IC 13-20-20 and carry out all commitments contained in a grant application.

(C) Establish and maintain a program of self-insurance for a household hazardous waste and conditionally exempt small quantity generator (as described in 40 CFR 261.5(a)) collection and disposal project, so that at the end of the district's fiscal year the unused and unencumbered balance of appropriated money reverts to the district's general fund only if the district's board specifically provides by resolution to discontinue the self-insurance fund.

(D) Apply for a household hazardous waste project grant as described in IC 13-20-22-2 and carry out all commitments contained in a grant application.

(19) The power to enter into an interlocal cooperation agreement under IC 36-1-7 to obtain:

(A) fiscal;

(B) administrative;

(C) managerial; or

(D) operational;

services from a county or municipality.

(20) The power to compensate advisory committee members for attending meetings at a rate determined by the board.

(21) The power to reimburse board and advisory committee members for travel and related expenses at a rate determined by the board.

(22) The power to pay a fee from district money to:

(A) in a joint district, the county or counties in which a final disposal facility is located; or

(B) a county that:

(i) was part of a joint district;

(ii) has withdrawn from the joint district as of January

1, 2008; and
(iii) has established its own district in which a final disposal facility is located.
(23) The power to make grants or loans of:
(A) money;
(B) property; or
(C) services;
to public or private recycling programs, composting programs, or any other programs that reuse any component of the waste stream as a material component of another product, if the primary purpose of activities undertaken under this subdivision is to carry out the provisions of this article.
(24) The power to establish by resolution a nonreverting capital fund. A district's board may appropriate money in the fund for:
(A) equipping;
(B) expanding;
(C) modifying; or
(D) remodeling;
an existing facility. Expenditures from a capital fund established under this subdivision must further the goals and objectives contained in a district's solid waste management plan. Not more than five percent (5%) of the district's total annual budget for the year may be transferred to the capital fund that year. The balance in the capital fund may not exceed twenty-five percent (25%) of the district's total annual budget. If a district's board determines by resolution that a part of a capital fund will not be needed to further the goals and objectives contained in the district's solid waste management plan, that part of the capital fund may be transferred to the district's general fund, to be used to offset tipping fees, property tax revenues, or both tipping fees and property tax revenues.
(25) The power to conduct promotional or educational programs that include giving awards and incentives that further the district's solid waste management plan.
(26) The power to conduct educational programs under IC 13-20-17.5 to provide information to the public concerning:
(A) the reuse and recycling of mercury in:
(i) mercury commodities; and
(ii) mercury-added products; and
(B) collection programs available to the public for:
(i) mercury commodities; and
(ii) mercury-added products.
(27) The power to implement mercury collection programs under IC 13-20-17.5 for the public and small businesses.

SECTION 105. IC 14-27-6-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 30. The board may perform all acts necessary or reasonably incident to carrying out the purposes of this chapter, including the following powers:
(1) To sue and be sued collectively by the board's name "_____ Levee Authority", with service of process being had on the president of the board. However, costs may not be taxed against the board or any of the board's members in an action.
(2) To have exclusive jurisdiction within the district.
(3) To adopt ordinances to protect all property owned or managed by the board.
(4) To adopt an annual budget and levy taxes not to exceed **the following:**
(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the immediately preceding calendar year, if the taxing unit levied a property tax in the immediately preceding year.
(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of two and sixty-seven hundredths cents ($0.0267) on each one hundred dollars ($100) of assessed property in accordance with this chapter.
(5) To incur indebtedness in the name of the authority in accordance with this chapter.
(6) To:
(A) acquire real, personal, or mixed property by deed, purchase, lease, condemnation, or otherwise; and
(B) dispose of the property;
for flood control purposes.
(7) To do the following:
(A) Receive gifts, donations, bequests, and public trusts.
(B) Agree to accompanying conditions and terms and bind the authority to carry out the terms and conditions.
(8) To determine matters of policy regarding internal organization and operating procedures not specifically provided for otherwise.
(9) In addition to all other powers conferred by this chapter and IC 14-27-3, to do the following:
(A) Cooperate with an officer or agency of the federal government in the performance of any of the work authorized by this chapter.
(B) Accept labor, material, or financial assistance.
(C) Do all things not inconsistent with this chapter necessary to satisfy the requirements of the federal authorities for the purpose of obtaining aid from the federal government.
(10) To purchase supplies, materials, and equipment to carry out the duties and functions of the board in accordance with procedures adopted by the board and in accordance with general law.
(11) To employ personnel as necessary to carry out the duties, functions, and powers of the board.
(12) To sell surplus or unneeded property in accordance with procedures prescribed by the board.
(13) To adopt administrative rules to do the following:
(A) Carry out the board's powers and duties.
(B) Govern the duties of the board's officers, employees, and personnel.
(C) Govern the internal management of the affairs of the board.
The board shall publish all rules adopted by the board for at least ten (10) days in a newspaper of general circulation printed in the district.
(14) To fix the salaries or compensation of the officers and employees of the authority, except as otherwise provided by this chapter.
(15) To carry out the purposes and objects of the authority.
(16) To adopt and use a seal.
(17) To:
(A) acquire land, easements, and rights-of-way; and
(B) establish, construct, improve, equip, maintain, control, lease, and regulate levees and the land owned adjacent to the levees, either within or outside the district;

for flood prevention purposes. However, if at the time of the creation of the levee authority a political subdivision owns or controls a levee, upon the qualification of the members of the board the exclusive control, management, and authority over each levee owned or controlled by a political subdivision shall be transferred to the board without the passage of an ordinance. The board of public works of the political subdivision or other persons having possession or control of a levee shall immediately deliver to the board all personal property and records, books, maps, and other papers and documents relating to the levee.

(18) To:

(A) elect a secretary from the board's membership; or

(B) employ a secretary;

and fix the compensation of the secretary.

(19) To do the following:

(A) Employ superintendents, managers, engineers, surveyors, attorneys, clerks, guards, mechanics, laborers, and all other employees the board considers expedient. All employees shall be selected and appointed irrespective of political affiliations.

(B) Prescribe and assign the duties and authority of the employees.

(C) Fix the compensation to be paid to the persons employed by the board in accordance with appropriations made by the city fiscal body.

(D) Require a bond on any officer or employee of the authority in the amount, upon the terms and conditions, and with surety to the approval of the board.

(20) To adopt rules not in conflict with:

(A) Indiana law;

(B) the ordinances of the city; or

(C) the laws or regulations of the United States and the United States Corps of Army Engineers;

regulating the construction, maintenance, and control of the board's levees and other property under the board's control.

(21) To establish the board's own detail or department of police or to hire guards to execute the orders and enforce the rules of the board.

(22) To permit the federal government to do the following:

(A) Construct or repair, on land or rights-of-way owned by the authority, levees, dikes, breakwaters, pumping stations, syphons, and flood gates.

(B) Construct or repair sewers, ditches, drains, diversion channels, and watercourses if necessary in the actual construction, repair, and maintenance of a levee and along land or rights-of-way owned by the authority.

(23) To do the following:

(A) Construct, maintain, and repair levees, dikes, breakwaters, pumping stations, and flood gates.

(B) Construct or repair sewers, ditches, drains, diversion channels, and watercourses if necessary in the actual construction, repair, and maintenance of a levee.

(24) To sell machinery, equipment, or material under the control of the board that the board determines is not required for levee purposes. The proceeds derived from the sale shall be deposited with the treasurer of the authority.

(25) To negotiate and execute:

(A) contracts of sale or purchase;

(B) leases;

(C) contracts for personal services, materials, supplies, or equipment; or

(D) any other transaction, business or otherwise;

relating to a levee under the board's control and operation. However, if the board determines to sell part or all of levee land, buildings, or improvements owned by the authority, the sale must be in accordance with statute. If personal property under the control of the board valued in excess of five hundred dollars ($500) is to be sold, the board shall sell to the highest and best bidder after due publication of notice of the sale.

(26) To contract with other political subdivisions and state agencies under IC 36-1-7 for:

(A) the provision of services;

(B) the rental or use of equipment or facilities; or

(C) the joint purchase and use of equipment or facilities;

considered proper by the contracting parties for use in the operation, maintenance, or construction of a levee operated under this chapter.

SECTION 106. IC 14-27-6-40, AS AMENDED BY P.L.146-2008, SECTION 425, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20 relating to the following apply to proceedings under this chapter:

~~(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.~~

~~(2)~~ **(1)** The giving of notice of determination to issue bonds.

~~(3)~~ **(2)** The giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to ~~appeal and~~ be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance.~~

~~(5)~~ **(3)** The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

~~(6)~~ **(4)** The sale of bonds at public sale for not less than the par value.

SECTION 107. IC 14-27-6-48 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 48. (a) The board may provide a cumulative building fund in compliance with IC 6-1.1-41 to provide for the erection of:

(1) levees, gates, and pumping stations; or

(2) other facilities or the addition to or improvement of the facilities on the levees;

needed to carry out this chapter.

(b) In compliance with IC 6-1.1-41, the board may levy a property tax not to exceed **the following:**

(1) The levy imposed for the fund in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the immediately preceding calendar year, if the taxing unit levied a property tax for the fund in the immediately preceding year.

(2) The levy imposed for the fund for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax for the fund in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of taxable property within the district.

As the tax is collected, the tax may be invested in negotiable United States bonds or other securities that the federal

government has the direct obligation to pay.

(c) Any money of the cumulative building fund not invested in government obligations shall be withdrawn from the cumulative building fund in the same manner as money is regularly withdrawn from a general fund but without further or additional appropriation.

SECTION 108. IC 14-33-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. In all districts described in IC 14-33-9-4, the special benefits tax ~~rate~~ may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the immediately preceding calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of assessed valuation of property in the taxing district.

SECTION 109. IC 14-33-9-1, AS AMENDED BY P.L.146-2008, SECTION 428, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 1. (a) **Except as provided in IC 6-1.1-17-20,** the budget of a district:

(1) must be prepared and submitted:
(A) at the same time;
(B) in the same manner; and
(C) with notice;
as is required by statute for the preparation of budgets by municipalities; and

(2) is subject to the same review by:
(A) the county board of tax adjustment; and
(B) the department of local government finance;
as is required by statute for the budgets of municipalities.

(b) If a district is established in more than one (1) county:

(1) except as provided in subsection (c), the budget shall be certified to the auditor of the county in which is located the court that had exclusive jurisdiction over the establishment of the district; and

(2) notice must be published in each county having land in the district. Any taxpayer in the district is entitled to be heard before the county board of tax adjustment and, after December 31, 2008, the fiscal body of each county having jurisdiction.

(c) If one (1) of the counties in a district contains either a first or second class city located in whole or in part in the district, the budget:

(1) shall be certified to the auditor of that county; and

(2) is subject to review at the county level only by the county board of tax adjustment and, after December 31, 2008, the fiscal body of that county.

SECTION 110. IC 14-33-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3. (a) The board shall deduct from the operation and maintenance expenses estimated under section 2 of this chapter the following:

(1) Any revenue actually received during the current year.

(2) Other money not obligated to paying or protecting the bonds or notes of the district.

(b) The board shall carry forward the balance after making the deduction required by subsection (a).

(c) The board shall next determine the amount of interest due and the principal amount of bonds maturing the second year after the year in which the board is meeting. To this amount the board shall add five percent (5%) in the first year the board meets with bonds outstanding to provide for contingencies. After that time and until all bonds are retired, the board shall add the necessary amount to maintain a five percent (5%) contingency reserve.

(d) If the board has been forced to borrow money for a short term for a legitimate purpose, the board shall also determine the amount of principal and interest due on the loan.

(e) The board shall then total the balance.

(f) From the assessment roll, the board shall then determine the amount of unpaid installments due in the next year on assessments that have been made and deduct this from the total. The board shall then determine the necessary levy of the special benefits tax to provide money to meet the expenses thus calculated.

~~(g) After review by the department of local government finance as provided in section 1 of this chapter, the board of directors shall certify to the auditor of each county for collection the levy of the tax and the installment of any assessment.~~

SECTION 111. IC 14-33-21-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. **(a)** The board may levy a special benefits tax in compliance with IC 6-1.1-41 in an amount not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the immediately preceding calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of real property in the district, except the property that is exempt under IC 14-33-7-4.

(b) The board shall file with the district plan or part of or amendment to the plan:

(1) the approval of the department of local government finance; and

(2) any action taken to reduce or rescind the tax levy.

SECTION 112. IC 15-13-8-3, AS ADDED BY P.L.146-2008, SECTION 431, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The fund consists of the following:

(1) Revenue from the property tax imposed under IC 15-13-9 **(repealed)** before January 1, 2009.

(2) Appropriations made by the general assembly.

(3) Interest accruing from investment of money in the fund.

(4) Certain proceeds from the operation of the fair.

(b) The fund is divided into the following accounts:

(1) Agricultural fair revolving contingency account.

(2) Other accounts established by the commission.

(c) The money credited to the agricultural fair revolving contingency account may be used only to pay start-up expenses for the fair each year. Money used to pay the start-up expenses from the account must be replaced using proceeds from the operation of the fair before the proceeds may be used for any other purpose.

SECTION 113. IC 15-14-7-4, AS ADDED BY P.L.2-2008, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. **(a)** The county council may, **for the purposes described in subsection (b),** levy an annual tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of assessed valuation.

(b) A revenue from a levy imposed under subsection (a) may be used to:

(1) construct;

(2) operate; or

(3) maintain;

a building owned and operated by a 4-H club described in section 2 of this chapter. The tax **under subsection (a)** may be levied only until the building has been constructed or for not more than five (5) years, whichever occurs first.

(c) After the building has been constructed, the county council may levy an annual tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of assessed valuation to operate and maintain the building.

SECTION 114. IC 15-14-9-1, AS ADDED BY P.L.2-2008, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) The county council and board of county commissioners of a county may appropriate and pay to:

(1) an agricultural fair, exhibition, or association; or

(2) an organized county 4-H club in which the residents of the county are interested;

a sum **determined under subsection (b).**

(b) The amount appropriated under subsection (a) may not exceed the following:

(1) The amount appropriated for the purposes described in subsection (a) from property taxes for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the purposes described in subsection (a) from property taxes for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes in the immediately preceding year. The taxing unit may not ~~exceeding~~ **appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds** four cents ($0.04) on each one hundred dollars ($100) valuation of the taxable property of the county.

The appropriation is to be paid out of the county general fund.

~~(b)~~ **(c)** An appropriation under subsection (a) may be used only for necessary costs and expenses:

(1) incidental to the conduct and carrying out the purposes of organized:

(A) 4-H clubs; and

(B) boys' and girls' club work;

(2) for cash awards on:

(A) agricultural and horticultural products;

(B) livestock; and

(C) boys' and girls' club work; and

(3) for judging products, livestock, and club work described in this subsection.

~~(c)~~ **(d)** An appropriation under subsection (a) applies to regularly organized:

(1) fair associations; and

(2) boys' and girls' clubs, 4-H clubs, or agricultural clubs;

if the fair or exhibition is given only for the promotion of the interests of agriculture, horticulture, and stock raising. The appropriation does not apply to a person, an association, or a corporation conducting the fair or exhibition for profit or to street fairs or exhibitions.

~~(d)~~ **(e)** An appropriation under subsection (a) may not be used or given for contests of speed.

SECTION 115. IC 15-14-9-2, AS ADDED BY P.L.2-2008, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) Subject to subsections (b) and (c), in a county where two (2) or more fairs or exhibitions are conducted as provided in section 1 of this chapter, the county council may appropriate to each of the fairs or associations an amount that the county council considers proper and equitable.

(b) The amount appropriated under subsection (a) must be computed by the ratio that the cash awards and judging expenses of each fair bears to the total amount spent for awards and judging by the fairs sharing in the division.

(c) The total amount appropriated under subsection (a) may not exceed **the following:**

(1) The amount appropriated for the purposes described in subsection (a) from property taxes for the immediately preceding calendar year, as that

appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the purposes described in subsection (a) from property taxes for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds a sum equal to one cent ($.01) on each one hundred dollars ($100) valuation of the taxable property located in the county.

SECTION 116. IC 16-20-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 18. (a) This section applies to a county having a population of more than one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000).

(b) Each year the county fiscal officer shall transfer to the community health clinic located in the county an amount equal to the **following:**

(1) The amount appropriated for the community health clinic from property taxes for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the community health clinic from property taxes for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes in the immediately preceding year. The taxing unit shall appropriate from property taxes and the department of local government finance shall approve an appropriation under this subdivision equal to the revenue raised from a property tax rate of one hundred sixty-seven thousandths of one cent ($0.00167) for each one hundred dollars ($100) of assessed valuation of the taxable property in the county.

(c) The transfer shall be made in four (4) equal installments before the end of January, April, July, and October. The transfer shall be made without the necessity of an appropriation.

SECTION 117. IC 16-20-4-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 25. The fiscal body of the city shall annually make the necessary appropriation for expenses of the full-time city health department even though the appropriation may exceed existing limitations. However, the tax may not exceed ~~one (1) mill~~ **the following:**

(1) The amount appropriated for the full-time city health department from property taxes for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the full-time city health department from property taxes for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds ten cents ($0.10) on each ~~dollar ($1)~~ **one hundred dollars ($100)** of assessed valuation of taxable property in addition to other health appropriations.

SECTION 118. IC 16-20-4-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 27. (a) This section applies to each city having a population of:

(1) more than twenty-eight thousand seven hundred (28,700) but less than twenty-nine thousand (29,000); or

(2) more than fifty-five thousand (55,000) but less than fifty-nine thousand (59,000).

(b) Each year the fiscal officer of each city shall transfer to the community health clinic located in the county in which the city is located an amount equal to **the following:**

(1) The amount appropriated for the community health clinic from property taxes for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the community health clinic from property taxes for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes in the immediately preceding year. The taxing unit shall appropriate from property taxes and the department of local government finance shall approve an appropriation under this subdivision equal to the revenue raised from a property tax rate of sixty-seven hundredths of one cent ($0.0067) for each one hundred dollars ($100) of assessed valuation of the taxable property in the city.

(c) The transfer shall be made in four (4) equal installments before the end of January, April, July, and October. The transfer shall be made without the necessity of an appropriation.

SECTION 119. IC 16-20-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The amount appropriated under section 1 of this chapter may not exceed the amount that could be collected from annually levying a tax on each one hundred dollars ($100) valuation of taxable property in the city or county as follows:

(1) For a city **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this

clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167).

(2) For a county **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of thirty-three hundredths of one cent ($0.0033).

SECTION 120. IC 16-22-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. To provide for the cumulative building fund, a tax on all taxable property within the county may be levied annually for not more than twelve (12) years and may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of eleven and sixty-seven hundredths cents ($0.1167) on each one hundred dollars ($100) of assessed valuation of property in the county.

SECTION 121. IC 16-22-6-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 27. (a) As used in this section, "contributing county" means a county without a county hospital that is contiguous to a county with a county hospital.

(b) As used in this section, "lessee county" means a county with a county hospital.

(c) A contributing county may enter into an agreement with a lessee county to reimburse the lessee county for a part of the lease rental each year that is payable by the lessee county upon compliance with this section.

(d) If the county executive of the contributing county finds that the hospital of the lessee county serves the residents of the contributing county and provides needed hospital services to such residents, the county executive may prepare a contribution agreement. Before final execution of the agreement, the auditor of the contributing county shall publish notice of a public hearing to be held in the contributing county by the county executive not less than ten (10) days after publication of the notice. The notice shall be published one (1) time in a newspaper of general circulation and published in the contributing county. The notice must name the day, place, and hour of the hearing and must set forth a summary of the provisions of agreement as to the amount to be paid each year during the term of the lease by the contributing county and where a copy of the proposed agreement may be examined. All persons interested are entitled to be heard at the time fixed on the necessity for the execution of the agreement. The hearing may be adjourned to a later date at a place fixed before adjournment.

(e) Following the hearing, if a majority of the county fiscal body of the contributing county approve the execution of the agreement, the county executive may authorize the execution of the original agreement or may make the modifications agreed upon with the county fiscal body. The authorization shall be by an order entered in the official records of the county executive. The agreement shall be executed:

(1) on behalf of the contributing county by at least a majority of the members of the county executive; and

(2) on behalf of the lessee county by at least a majority of the members of the county executive.

(f) If the execution of the original or modified contribution agreement is authorized, notice of the signing shall be published on behalf of the contributing county by publication one (1) time in a newspaper of general circulation and published in the contributing county. ~~At least ten (10) taxpayers in the contributing county whose tax rate will be affected by the proposed agreement may file a petition with the county auditor of the contributing county not more than thirty (30) days after publication of notice of the execution of the agreement. The petition must set forth the objections to the contribution agreement and facts showing that the execution of the contribution agreement is unnecessary and unwise or that the amount of contribution is excessive. On the filing of the petition, the county auditor shall immediately certify a copy together with other data necessary to present the questions involved to the department of local government finance. The department of local government finance shall fix a time and place in the county for the hearing not less than five (5) or not more than fifteen (15) days after receipt of the certified petition and information. Notice of the hearing shall be given by the department of local government finance to the county executive and to the first ten (10) taxpayer petitioners by certified mail sent to the addresses listed on the petition, at least five (5) days before the date of the hearing.~~

(g) An action to contest the validity of the contribution agreement or to enjoin the performance of the agreement may not be instituted later than thirty (30) days after publication of notice of the execution of the agreement. ~~or, if an appeal has been taken to the department of local government finance, not more than thirty (30) days after the decision of the board.~~

(h) A contribution agreement may extend for the full term of the lease or for any part and may provide for reimbursement by the contributing county to the lessee county of a part of the lease rental each year in an amount and upon terms and conditions agreed on between the contributing county and the lessee county. The contributing county shall annually levy a tax sufficient to produce each year the necessary funds sufficient to reimburse the lessee county as provided in the contribution agreement. The tax levies provided for in this section shall be reviewable by other bodies vested by law with the authority to ascertain that the levies are sufficient to raise the required payments under the contribution agreement. The annual contribution shall be paid semiannually to the lessee county before the date lease rental payments are due from the lessee county.

SECTION 122. IC 16-22-7-23 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 23. ~~(a)~~ If execution of the original or modified lease is authorized under section 38 of this chapter, notice of the signing shall be published.

~~(b) Ten (10) taxpayers in the county whose tax rate will be affected by the proposed lease and who believe the lease is unnecessary or the lease rental is not fair and reasonable may file a petition in the office of the county auditor not more than thirty (30) days after publication of notice of the execution of the lease, setting forth the objections and stating facts showing that the lease is unnecessary or unwise or that the lease rental is not fair and reasonable.~~

~~(c) On the filing of the petition, the county auditor shall immediately certify a copy, together with other data necessary to present the questions involved, to the department of local government finance.~~

SECTION 123. IC 16-22-7-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 25. An action to contest the validity of the lease or to enjoin the performance of the terms and conditions of the lease may not be instituted later than thirty (30) days after ~~publication of notice of the execution of the lease or, if an appeal is taken to the department of local government finance, not more than thirty (30) days after~~ the decision of the board.

SECTION 124. IC 16-22-8-41 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 41. (a) The board may provide a cumulative building fund under IC 6-1.1-41 to erect hospital buildings, additions, or other buildings, remodel buildings, or acquire equipment needed to carry out this chapter. The cumulative building fund may be funded by a property tax levy under subsection (b), a transfer into the fund of other revenues of the hospital, or a combination of these two (2) methods.

(b) The board may levy a tax in compliance with IC 6-1.1-41 on all taxable property within the county where the corporation is established. However, the levy may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of taxable property.

(c) All money in the cumulative building fund may be invested or reinvested in the following:

(1) Securities backed by the full faith and credit of the United States Treasury, including direct obligations of the United States government and obligations of a federal agency or a federal instrumentality that are fully guaranteed by the United States government.

(2) Participation in loans under the conditions and in the manner set forth in IC 5-13-10.5-12.

(d) The treasurer of the corporation may lend any securities in the cumulative building fund under the conditions and in the manner set forth in IC 5-13-10.5-12. Money collected and not invested in government obligations shall be deposited and withdrawn in the manner authorized by law for the deposit, withdrawal, and safekeeping of the general funds of municipalities.

SECTION 125. IC 16-22-8-43, AS AMENDED BY P.L.146-2008, SECTION 435, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 43. (a) The corporation may issue general obligation bonds to procure funds to pay the cost of acquiring real property or constructing, enlarging, improving, remodeling, repairing, or equipping buildings for use as a hospital, a health care facility, or an administrative facility. The issuance of the bonds shall be authorized by a board resolution providing for the amount, terms, and tenor of the bonds, for the time and character of notice, and the mode of making the sale. The bonds shall be payable not more than forty (40) years after the date of issuance. The bonds shall be executed in the name of the corporation by the executive director.

(b) The executive director shall manage and supervise the preparation, advertisement, and sale of bonds, subject to the provisions of the authorizing resolution. Before the sale of the bonds, the executive director shall publish notice of the sale in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest and best bidder. After the bonds have been sold and executed, the executive director shall deliver the bonds to the treasurer of the corporation and take the treasurer's receipt, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price, the treasurer shall deliver the bonds to the purchaser, and the treasurer and executive director shall report the actions to the board.

(c) IC 5-1 and IC 6-1.1-20 apply to the following proceedings:

~~(1) Notice and filing of the petition requesting the issuance of the bonds.~~

~~(2)~~ **(1)** Notice of determination to issue bonds.

~~(3)~~ **(2)** Notice of hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to ~~appeal and~~ be heard.

~~(4) Approval by the department of local government finance.~~

~~(5)~~ **(3)** The right to:

(A) remonstrate in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

~~(6)~~ **(4)** Sale of bonds at public sale for not less than the par value.

(d) The bonds are the direct general obligations of the corporation and are payable out of unlimited ad valorem taxes levied and collected on all the taxable property within the county of the corporation. All officials and bodies having to do with the levying of taxes for the corporation shall see that sufficient levies are made to meet the principal and interest on the bonds at the time fixed for payment.

(e) The bonds are exempt from taxation for all purposes but the interest is subject to the adjusted gross income tax.

SECTION 126. IC 16-22-8-55 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 55. (a) The corporation may borrow money on promissory notes issued in the corporation's name, as a municipal corporation, from recognized lending institutions, and pledge as security unlimited ad valorem taxes levied by the corporation and collected on all taxable property within the jurisdiction of the corporation. It is the duty of all officials and bodies with control or discretion over the levying of taxes for the corporation to see that sufficient levies are made to meet the

principal and interest on promissory notes. The promissory notes issued under this section shall be treated for taxation purposes the same as bonds issued by a municipal corporation in accordance with IC 6-8-5-1.

(b) Funds obtained by the method provided in this section shall be limited in use to the payment of lease rental for medical, surgical, and related equipment used by the corporation when the board determines that leasing the equipment is more practical and economical than purchasing. The decision to lease rather than purchase is within the sole discretion of the board.

(c) The length, terms, and conditions of promissory notes issued under this section are subject to negotiation between the board or the board's representative and the lending institutions bidding. Before entering into negotiations for the loan, the board of trustees shall publish a notice one (1) time in a newspaper of general circulation in the health and hospital corporation naming a date not less than seven (7) days after the publication of notice on which the board will receive and consider proposals from lending institutions for the making of the loan.

~~(d) After determination of the board to borrow and to issue promissory notes, and after a determination of the best proposal submitted by lending institutions, the board shall give notice of the board's determination to borrow and to issue promissory notes in the manner provided by IC 6-1.1-20. The taxpayers have the right to appeal the determination to the department of local government finance in the manner and within the time provided in IC 6-1.1-20.~~

SECTION 127. IC 16-22-14-4, AS ADDED BY P.L.154-2006, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. The property tax rate imposed under this chapter may not exceed the lesser of the following:

(1) **The following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of six cents ($0.06) on each one hundred dollars ($100) of assessed valuation.

(2) The property tax rate that is necessary to generate tax revenues in an amount equal to the county hospital's qualified expenses in the ensuing year, as estimated in the governing body's budget request under section 2 of this chapter.

SECTION 128. IC 16-23-1-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 28. (a) If the budget and estimate filed in the auditor's office of the county in any year shows an anticipated deficiency, the amount of the deficiency shall be set out in the copy of the budget and estimate filed, and the board shall request that the fiscal body of the county appropriate sufficient funds and levy a sufficient tax rate on the taxable property of the county to meet the deficiency. The county auditor shall, upon the basis of the request, compute the amount of money necessary to be appropriated and the amount of tax levy necessary to be made on the taxable property of the county to meet the estimated deficiency in the anticipated hospital funds for the ensuing calendar year. The auditor shall place the tax levy before the county fiscal body at the fiscal body's annual budget meeting in September of the same year the request is filed.

(b) The county fiscal body shall place the amount of the anticipated deficiency in the county budget for the next calendar year and shall levy a sufficient tax on all taxable property in the county to meet the anticipated deficiency. However, the tax rate fixed by the county fiscal body in any one (1) year may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property in the county.

The levy is known as the hospital aid tax.

SECTION 129. IC 16-23-1-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 29. (a) If the county fiscal body is not authorized to appropriate sufficient funds under this chapter to meet an anticipated deficiency in any one (1) year reported and filed in the offices of the county auditor and city clerk-treasurer, the city fiscal body may appropriate a sufficient amount of funds for the next calendar year to meet the balance of the anticipated deficiency and levy a special hospital aid tax on all taxable property in the city for this purpose.

(b) The rate fixed by the city fiscal body for a hospital aid tax in any one (1) year may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of two and thirty-three hundredths cents ($0.0233) on each one hundred dollars ($100) of taxable property.

The tax is in addition to any tax levied by the city for the retirement of bonds or other evidences of indebtedness and

payment of interest charges for the alteration, repair, or improvement of the hospital, including the construction of additions and extensions to the hospital.

SECTION 130. IC 16-23-1-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 39. (a) This section applies to the county fiscal body of a county in which a city hospital is located and maintained.

(b) The county fiscal body may issue and sell bonds and appropriate money, if the fiscal body finds the following:

(1) An emergency exists.

(2) To meet the medical needs of the county residents living inside and outside the corporate limits of the city it is necessary to aid in the following:

(A) The construction, improvement, repair, or remodeling of hospital buildings and grounds.

(B) The construction of an extension or addition to the hospital.

(C) The acquisition of real property for the hospital.

(3) An appropriation of county funds, borrowing of money, and issuance and sale of bonds by the county are in the best interests of all the citizens of the county.

(c) The county fiscal body may issue and sell bonds and appropriate the proceeds to meet the emergency:

(1) without regard to whether the city in which the hospital is located has issued and sold bonds for these purposes or contemplates the issuance and sale of bonds; **and**

(2) as other county bonds are issued and sold under statute. ~~and~~

~~(3) subject to approval of the department of local government finance.~~

(d) The principal derived from the sale of the bonds, upon due appropriation by the county according to statute, shall be paid to the clerk-treasurer of the city to assist in paying the cost of the improvement, repair, remodeling, or construction project of the hospital or for the acquisition of real property, without reappropriation by the fiscal body of the city.

SECTION 131. IC 16-23-1-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 40. (a) The governing board may request a cumulative hospital building fund and a tax ~~rate~~ upon all taxable property in the county in which the hospital is located to finance the fund. If a resolution is approved by majority vote of all members at a regular or special board meeting, the resolution shall be certified to the county auditor, who shall submit the resolution to the county executive for preliminary approval and recommendation. Upon the approval of the county executive, the county auditor shall publish notice of a public hearing before the county council on the establishment of a cumulative hospital building fund and tax ~~rate~~ in each year.

(b) The cumulative building tax ~~rate~~ begins in any calendar year when all proceedings to establish the tax ~~rate~~ have been completed before August 2 in that year. The ~~rate~~ **tax** is ~~levied on each one hundred dollars ($100) of taxable property~~ **imposed** for that year, payable in the next year, and continues each year for a term not exceeding twelve (12) years. **In each subsequent year, the levy is the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.** The resolution of the board must specify the following:

(1) The number of years.

(2) The effective date when the tax levy begins.

(3) The ~~amount of rate on each one hundred dollars ($100) of taxable property.~~ **amount of the levy to be raised by the tax.**

(4) Any other pertinent facts considered advisable by the board.

(c) Except as provided in subsections (f) through (h), the ~~rate on each one hundred dollars ($100)~~ **levy** may be reduced but not increased by the department of local government finance in approving a cumulative building tax. ~~rate.~~ The ~~rate~~ **levy** as finally fixed by the department of local government finance is final. However, the county fiscal body, by three-fourths (3/4) affirmative vote of the county fiscal body's members, may reduce the ~~rate~~ **levy** in any given year or years to meet an emergency existing in the county, but the temporary reduction affects the ~~rate~~ **levy** only in the year when the action is taken. The ~~rate~~ **levy** is automatically restored to the ~~rate's~~ **levy's** original amount in each succeeding year of the established period except in any other year when another emergency reduction is made. The ~~rate~~ **levy** is subject to review each year by the county fiscal body, but the county tax adjustment board and department of local government finance may not reduce the ~~rate~~ **levy** below the original ~~rate~~ **levy** established and approved by vote of the county fiscal body unless the county fiscal body reduces the ~~rate.~~ **levy.**

(d) The county fiscal body, city fiscal body, county tax adjustment board, or department of local government finance does not have power or jurisdiction over the annual budget and appropriations, additional appropriations, or transfer of money unless the action involves the expenditure or raising of money derived from property taxes. If the cumulative building fund is the only hospital fund raised by taxation, section 31 of this chapter controls.

(e) The cumulative building fund raised may be properly and safely invested or reinvested by the board to produce an income until there is an immediate need for the fund's use. The fund and any income derived from investment or reinvestment of the fund may be used as follows:

(1) To purchase real property and grounds for hospital purposes.

(2) To remodel or make major repairs on any hospital building.

(3) To erect and construct hospital buildings or additions or extensions to the buildings.

(4) For any other major capital improvements, but not for current operating expenses or to meet a deficiency in operating funds.

(f) Not later than August 1 of any year, ten (10) or more taxpayers in the county may file with the county auditor of the county in which the hospital is located a petition for reduction or rescission of the cumulative building tax. ~~rate.~~ The petition must set forth the taxpayers' objections to the tax. ~~rate.~~ The petition shall be certified to the department of local government finance.

(g) Upon receipt of a petition under subsection (f), the department of local government finance shall, within a reasonable time, fix a date for a hearing on the petition. The hearing must be held in the county in which the hospital is located. Notice of the hearing shall be given to the county fiscal body and to the first ten (10) taxpayers whose names appear on the petition. The notice must be in the form of a letter signed by the secretary or any member of the department of local government finance, sent by mail with full prepaid postage to the county fiscal body and to the taxpayers at their usual places of residence at least five (5) days before the date fixed for the hearing.

(h) After the hearing under subsection (g), the department of local government finance shall approve, disapprove, or modify the request for reduction or rescission of the tax ~~rate~~ and shall certify that decision to the county auditor of the county in which the hospital is located.

SECTION 132. IC 16-23-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. The city fiscal body may annually levy and collect a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the

department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of two and sixty-seven hundredths cents ($0.0267) on each one hundred dollars ($100) of the taxable property in the city.

The levy shall be used to provide money to aid in the maintenance of the hospital as provided in this chapter.

SECTION 133. IC 16-23-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The city fiscal body may levy a special tax for the maintenance of the hospital of not less than **the lesser of the levy imposed for the March 1, 2007, and January 15, 2008, assessment dates or the amount that could have been raised if a tax rate of** sixty-seven hundredths of one cent ($0.0067) **had been imposed for the maintenance of the hospital for the March 1, 2007, and January 15, 2008, assessment dates** and not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable property.

The levy is to be levied and collected the same as other city taxes are levied and collected.

SECTION 134. IC 16-23-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. A city may provide for the support and maintenance of a hospital subject to this chapter as follows:

(1) Appropriate money to the hospital.

(2) Levy and collect a special tax not exceeding **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of two and thirty-three hundredths cents ($0.0233) on each one hundred dollars ($100) valuation of the taxable property of the city.

(3) Give other aid and support to the hospital that the city council considers proper.

SECTION 135. IC 16-23-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. A city may do the following:

(1) Appropriate money to the hospital for support and maintenance.

(2) Aid in the support of the hospital by the levy and collection of a special tax, not exceeding **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of one cent ($0.01) on each one hundred dollars ($100) valuation of taxable property of the city.

(3) Give other aid and support in the maintenance of the hospital that the city fiscal body considers proper.

SECTION 136. IC 16-23-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. A city may do the following:

(1) Appropriate money to the hospital for support and maintenance.

(2) Aid in the support of the hospital by the levy and collection of a special tax, not exceeding **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this

clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of two and thirty-three hundredths cents ($0.0233) on each one hundred dollars ($100) valuation of the taxable property of the city.

(3) Give other aid and support in the maintenance of the hospital in the manner that the city fiscal body considers proper.

SECTION 137. IC 16-23-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The township board may, at the request of the township trustee, levy annually and cause to be collected as other taxes are collected a tax upon all of the taxable property within the township. The tax may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of assessed valuation.

The tax is for the use of the hospital in defraying the expenses of the hospital's maintenance and support, for providing necessary additions, and for the payment of mortgage indebtedness.

SECTION 138. IC 16-41-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. The appropriate governing body may levy annually a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one cent ($0.01) on each one hundred dollars ($100) of taxable property for the control and prevention of venereal disease.

The tax is in addition to other taxes of the local governing body. The tax shall be collected in the same manner as other taxes and shall be credited to the local board of health venereal disease prevention and control fund.

SECTION 139. IC 16-41-33-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. The county fiscal body or the governing board of a health and hospital corporation may, on the fiscal body's or board of trustees' own initiative or after a petition signed by five percent (5%) of the registered voters within the jurisdiction of the health department, make an annual appropriation specifically for the purpose of vector control to be used by the health department solely for that purpose and levy a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of assessed value of taxable property in the county.

SECTION 140. IC 20-26-7-17, AS AMENDED BY P.L.146-2008, SECTION 466, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 17. (a) A school corporation may:

(1) purchase buildings or lands, or both, for school purposes; and

(2) improve the buildings or lands, or both.

(b) An existing building, other than a building obtained under IC 5-17-2 (before its repeal) or IC 4-13-1.7, permitting the purchase of suitable surplus government buildings, may not be purchased for use as a school building unless the building was originally constructed for use by the school corporation and used for that purpose for at least five (5) years preceding the acquisition as provided in this section through section 19 of this chapter.

(c) Notwithstanding this section through section 19 of this chapter limiting the purchase of school buildings, a school corporation may:

(1) purchase suitable buildings or lands, or both, adjacent to school property for school purposes; and

(2) improve the buildings or lands, or both, after giving notice to the taxpayers of the intention of the school corporation to purchase.

~~The taxpayers of the school corporation have the same right of appeal under the same procedure as provided for in IC 6-1.1-20-5 through IC 6-1.1-20-6.~~

SECTION 141. IC 20-46-1-7, AS AMENDED BY P.L.146-2008, SECTION 494, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) This section applies to a school corporation that added an amount to the school corporation's base tax levy before 2002 as the result of the approval of an excessive tax levy by the majority of individuals voting in a referendum held in the area served by the school corporation under IC 6-1.1-19-4.5 (before its repeal).

(b) A school corporation may adopt a resolution before September 21, 2005, to transfer the power of the school corporation to levy the amount described in subsection (a) from the school corporation's general fund to the school corporation's fund. A school corporation that adopts a resolution under this

section shall, as soon as practicable after adopting the resolution, send a certified copy of the resolution to the department of local government finance and the county auditor. A school corporation that adopts a resolution under this section may, for property taxes first due and payable after 2005, levy an additional amount for the fund that does not exceed the amount of the excessive tax levy added to the school corporation's base tax levy before 2002.

(c) The power of the school corporation to impose the levy transferred to the fund under this section expires December 31, 2012, unless:

(1) the school corporation adopts a resolution to reimpose or extend the levy; and

(2) the levy is approved, before January 1, 2013, by a majority of the individuals who vote in a referendum that is conducted in accordance with the requirements in this chapter.

As soon as practicable after adopting the resolution under subdivision (1), the school corporation shall send a certified copy of the resolution to the county auditor. ~~and the department of local government finance. Upon receipt of the certified resolution, the tax control board shall proceed in the same manner as the tax control board would for any other levy being reimposed or extended under this chapter.~~ However, if requested by the school corporation in the resolution adopted under subdivision (1), the question of reimposing or extending a levy transferred to the fund under this section may be combined with a question presented to the voters to reimpose or extend a levy initially imposed after 2001. A levy reimposed or extended under this subsection shall be treated for all purposes as a levy reimposed or extended under ~~IC 6-1.1-19-4.5(c) (before its repeal) and~~ this chapter. ~~after June 30, 2006.~~

(d) The school corporation's levy under this section may not be considered in the determination of the school corporation's state tuition support distribution under IC 20-43 or the determination of any other property tax levy imposed by the school corporation.

SECTION 142. IC 20-46-1-10, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. The question to be submitted to the voters in the referendum must read as follows:

"For the __ (insert number) calendar year or years immediately following the holding of the referendum, shall the school corporation impose a property tax ~~rate that does not exceed~~ **and annually raise an additional $** _____ (insert amount) ~~cents ($0.__) (insert amount) on each one hundred dollars ($100) of assessed valuation and that is~~ in addition to **all other property tax levies imposed by** the school ~~corporation's normal tuition support tax rate?".~~ **corporation?".**

SECTION 143. IC 20-46-3-6, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. ~~Subject to IC 6-1.1-18.5-9.9,~~ The tax control board may recommend to the department of local government finance that a school corporation be allowed to establish a levy. The amount of the levy shall be determined each year and the levy may not exceed the lesser of the following:

(1) The ~~revenue derived from a~~ **following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of eight and thirty-three hundredths cents ($0.0833) for each one hundred dollars ($100) of assessed valuation within the school corporation.

(2) The revenue derived from a tax rate equal to the difference between the maximum ~~rate~~ **levy** allowed for the school corporation's capital projects fund under IC 20-46-6 minus the actual capital projects fund ~~rate~~ **levy** that will be in effect for the school corporation for a particular year.

SECTION 144. IC 20-46-4-6, AS AMENDED BY P.L.234-2007, SECTION 263, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. The levy may not exceed the amount determined by multiplying:

(1) the school corporation's levy for the fund for the previous year under IC 21-2-11.5 (before its repeal) or this chapter, as that levy was determined by the department of local government finance in fixing the ~~civil~~ taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17 and after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the calendar year; by

(2) the ~~assessed value~~ **levy** growth ~~quotient~~ **multiplier** determined under IC 6-1.1-18.5-2.

SECTION 145. IC 20-46-6-5, AS ADDED BY P.L.154-2006, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. ~~Subject to IC 6-1.1-18-12 and IC 6-1.1-18.5-9.9,~~ To provide for the fund, the governing body may, for each year in which a plan is in effect, impose a property tax ~~rate~~ that does not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of forty-one and sixty-seven hundredths cents ($0.4167) on each one hundred dollars ($100) of assessed valuation of the school corporation.

The actual rate imposed by the governing body must be advertised in the same manner as other property tax rates.

SECTION 146. IC 20-47-2-13, AS AMENDED BY P.L.146-2008, SECTION 515, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 13. ~~(a)~~ If the execution of the lease as originally agreed upon or as modified by agreement is authorized by the governing body or bodies of the school corporation or corporations, the governing body shall give notice of the signing of the lease by publication one (1) time in:

(1) a newspaper of general circulation printed in the English language in the school corporation;

(2) a newspaper described in subdivision (1) in each school corporation if the proposed lease is a joint lease; or

(3) if no such newspaper is published in the school corporation, in any newspaper of general circulation published in the county.

~~(b) This subsection does not apply to a lease for which a school corporation after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5, or, in the case of a lease not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the lease after June 30, 2008. Within thirty (30) days after the publication of notice under subsection (a), fifty (50) or more taxpayers in the school corporation or corporations who:~~

~~(1) will be affected by the proposed lease; and~~

~~(2) are of the opinion that:~~

~~(A) necessity does not exist for the execution of the lease; or~~

~~(B) the proposed rental provided for in the lease is not a fair and reasonable rental;~~

~~may file a petition in the office of the county auditor of the county in which the school corporation or corporations are located. The petition must set forth the taxpayers' objections to the lease and facts showing that the execution of the lease is unnecessary or unwise or that the lease rental is not fair and reasonable, as the case may be.~~

~~(c) Upon the filing of a petition under subsection (b), the county auditor shall immediately certify a copy of the petition, together with any other data that is necessary to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and data, if any, the department of local government finance shall fix a time, date, and place for the hearing of the matter, which may not be less than five (5) nor more than thirty (30) days thereafter. The department of local government finance shall:~~

~~(1) conduct the hearing in the school corporation or corporations, or in the county where the school corporation or corporations are located; and~~

~~(2) give notice of the hearing to the members of the governing body or bodies of the school corporation or corporations and to the first fifty (50) taxpayers who signed the petition under subsection (b) by a letter signed by the commissioner or deputy commissioner of the department of local government finance and enclosed with full prepaid postage addressed to the taxpayer petitioners at their usual place of residence, at least five (5) days before the hearing.~~

~~The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease and as to whether the rental is fair and reasonable, is final.~~

SECTION 147. IC 20-47-2-14, AS AMENDED BY P.L.146-2008, SECTION 516, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 14. An action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease may not be instituted at any time later than

~~(1)~~ thirty (30) days after publication of notice of the execution of the lease by the governing body or bodies of the school corporation or corporations. ~~or~~

~~(2) if an appeal is allowed under section 13 of this chapter and has been taken to the department of local government finance, thirty (30) days after the decision of the department of local government finance.~~

SECTION 148. IC 20-47-3-5, AS AMENDED BY P.L.146-2008, SECTION 517, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. (a) Except as provided in ~~subsections~~ **subsection** (d), ~~and (c),~~ a lease must provide that the school corporation or corporations have an option to:

(1) renew the lease for a further term on like conditions; and

(2) purchase the property covered by the lease;

with the terms and conditions of the purchase to be specified in the lease. ~~subject to the approval of the department of local government finance.~~

(b) If the option to purchase the property covered by the lease is exercised, the school corporation or corporations, to procure funds to pay the purchase price, may issue and sell bonds under the provisions of the general statute governing the issue and sale of bonds of the school corporation or corporations. The purchase price may not be more than the purchase price set forth in the lease plus:

(1) two percent (2%) of the purchase price as prepayment penalty for purchase within the first five (5) years of the lease term; or

(2) one percent (1%) of the purchase price as prepayment penalty for purchase in the second five (5) years of the lease term;

and thereafter the purchase shall be without prepayment penalty.

(c) However:

(1) if the school corporation or corporations have not exercised an option to purchase the property covered by the lease at the expiration of the lease; and

(2) upon the full discharge and performance by the school corporation or corporations of their obligations under the lease;

the property covered by the lease becomes the absolute property of the school corporation or corporations, and the lessor corporation shall execute proper instruments conveying to the school corporation or corporations good and merchantable title to that property.

(d) The following provisions apply to a school corporation that is located in Dubois County and enters into a lease with a religious organization or the organization's agent as authorized under section 4 of this chapter:

(1) The lease is not required to include on behalf of the school corporation an option to purchase the property covered by the lease.

(2) The lease must include an option to renew the lease.

(3) The property covered by the lease is not required to become the absolute property of the school corporation as provided in subsection (c).

~~(e) In the case of a lease for which a school corporation:~~

~~(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5, or~~

~~(2) in the case of a lease not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the lease after June 30, 2008,~~

~~the terms and conditions of the purchase that are specified in the lease are not subject to the approval of the department of local government finance.~~

SECTION 149. IC 20-47-3-8, AS AMENDED BY P.L.146-2008, SECTION 518, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8. ~~(a) Except as provided in subsection (b),~~ A school corporation or corporations may, in anticipation of the acquisition of a site and the construction and erection of a school building or buildings, ~~and, subject to the approval of the department of local government finance,~~ enter into a lease with a lessor corporation before the actual acquisition of the site and the construction and erection of the building or buildings. However, the lease entered into by the school corporation or school corporations may not provide for the payment of any lease rental by the lessee or lessees until the building or buildings are ready for occupancy, at which time the stipulated lease rental may begin. The lessor corporation shall furnish a bond to the

approval of the lessee or lessees conditioned on the final completion of the building or buildings within a period not to exceed one (1) year from the date of the execution of the lease, unavoidable delays excepted.

~~(b) In the case of a lease for which a school corporation:~~

~~(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or~~

~~(2) in the case of a lease not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the lease after June 30, 2008,~~

~~the approval of the department of local government finance is not required.~~

SECTION 150. IC 20-47-3-11, AS AMENDED BY P.L.146-2008, SECTION 519, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 11. ~~(a)~~ If the execution of the lease as originally agreed upon or as modified by agreement is authorized by the governing body or bodies of the school corporation or corporations, the governing body shall give notice of the signing of the lease by publication one (1) time in:

(1) a newspaper of general circulation printed in the English language in the school corporation;

(2) a newspaper described in subdivision (1) in each school corporation if the proposed lease is a joint lease; or

(3) if no such newspaper is published in the school corporation, in any newspaper of general circulation published in the county.

~~(b) This subsection does not apply to leases for which a school corporation after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5, or, in the case of leases not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the lease after June 30, 2008. Within thirty (30) days after the publication of notice under subsection (a), ten (10) or more taxpayers in the school corporation or corporations who:~~

~~(1) will be affected by the proposed lease; and~~

~~(2) are of the opinion that:~~

~~(A) no necessity exists for the execution of the lease; or~~

~~(B) the proposed rental provided for in the lease is not a fair and reasonable rental;~~

~~may file a petition in the office of the county auditor of the county in which the school corporation or corporations are located. The petition must set forth the taxpayers' objections to the lease and facts showing that the execution of the lease is unnecessary or unwise, or that the lease rental is not fair and reasonable, as the case may be.~~

~~(c) Upon the filing of a petition under subsection (b), the county auditor shall immediately certify a copy of the petition and any other data that is necessary to present the questions involved to the department of local government finance. Upon receipt of the certified petition and data, if any, the department of local government finance shall fix a date, time, and place for the hearing of the matter, which may not be less than five (5) nor more than thirty (30) days after receipt of the petition and data, if any. The department of local government finance shall:~~

~~(1) conduct the hearing in the school corporation or corporations or in the county where the school corporation or corporations are located; and~~

~~(2) give notice of the hearing to the members of the governing body or bodies of the school corporation or corporations and to the first ten (10) taxpayer petitioners upon the petition by a letter signed by the commissioner or deputy commissioner of the department of local government finance, and enclosed with full prepaid postage addressed to the taxpayer petitioners at their usual place of residence, at least five (5) days before the hearing.~~

~~The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease, and as to whether the rental is fair and reasonable, is final.~~

SECTION 151. IC 20-47-3-12, AS AMENDED BY P.L.146-2008, SECTION 520, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 12. An action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease may not be instituted at any time later than

~~(1)~~ thirty (30) days after publication of notice of the execution of the lease by the governing body or bodies of the school corporation or corporations. ~~or~~

~~(2) if an appeal is allowed under section 11 of this chapter and has been taken to the department of local government finance, thirty (30) days after the decision of the department of local government finance.~~

SECTION 152. IC 20-48-1-4, AS AMENDED BY P.L.146-2008, SECTION 522, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 4. ~~(a)~~ Bonds issued by a school corporation must be sold at:

(1) not less than par value;

(2) public sale as provided by IC 5-1-11; and

(3) any rate or rates of interest determined by the bidding.

~~(b) This subsection does not apply to bonds for which a school corporation:~~

~~(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or~~

~~(2) in the case of bonds not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the bonds after June 30, 2008.~~

~~If the net interest cost exceeds eight percent (8%) per year, the bonds must not be issued until the issuance is approved by the department of local government finance.~~

SECTION 153. IC 20-48-3-6, AS ADDED BY P.L.2-2006, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 6. (a) A school city wishing to make a temporary loan for its general fund under this section may temporarily borrow money, without payment of interest, from the school city's treasury if the school city has in its treasury money derived from the sale of bonds that cannot or will not in the due course of the business of the school city be expended in the near future. A school city shall, by its board, take the following steps required by law to obtain a temporary loan under this section:

(1) Present to the ~~department of local government finance and the~~ state board of accounts:

(A) a copy of the corporate action of the school city concerning the school city's desire to make a temporary loan;

(B) a petition showing the particular need for a temporary loan;

(C) the amount and the date or dates when the general fund will need the temporary loan or the installments of the loan;

(D) the date on which the loan and each installment of the loan will be needed;

(E) the estimated amounts from taxes to come into the general fund;

(F) the dates when it is expected the proceeds of taxes will be received by the school city for the general fund;

(G) the amount of money the school city has in each fund derived from the proceeds of the sale of bonds that cannot or will not be expended in the near future; and

(H) a showing of when, to what extent, and why money in the bond service fund will not be expended in the near future.

(2) Request the ~~department of local government finance and the~~ state board of accounts to authorize a temporary

loan from the bond service fund for the general fund.

(b) If:

~~(1) the department of local government finance finds and orders that there is need for a temporary loan and that it should be made;~~

~~(2)~~ **(1)** the state board of accounts finds that the money proposed to be borrowed will not be needed during the period of the temporary loan by the fund from which it is to be borrowed; and

~~(3)~~ **(2)** the state board of accounts ~~and the department of local government finance approve~~ **approves** the loan;

the business manager and treasurer of the school city shall, upon the approval of the state board of accounts, ~~and the department of local government finance,~~ take all steps necessary to transfer the amount of the loans as a temporary loan from the fund to be borrowed from to the general fund of the school city. The loan is a debt of the school city chargeable against its constitutional debt limit.

(c) The state board of accounts: ~~and the department of local government finance:~~

(1) may fix the total amount that may be borrowed on a petition; and

(2) shall determine:

(A) at what time or times;

(B) in what installments; and

(C) for what periods;

the money may be borrowed.

The treasurer and business manager of the school city, as money is collected from taxes levied on behalf of the general fund, shall credit the amount of money collected from taxes levied to the loan until the amount borrowed is fully repaid to the fund from which the loan was made. The treasurer and business manager of the school city shall at the end of each calendar month report to the board the amounts applied from taxes to the payment of the loan.

(d) The school city shall, as often as once a month, report to ~~both~~ the state board of accounts: ~~and the department of local government finance:~~

(1) the amount of money borrowed and unpaid;

(2) any anticipated similar borrowings for the current month;

(3) the amount left in the general fund; and

(4) the anticipated drafts on the bond service fund for the purposes for which the fund was created.

(e) The state board of accounts: ~~and the department of local government finance, or either acting independently:~~

(1) if it appears that the fund from which the loan was made requires the repayment of all or part of the loan before maturity; or

(2) if the general fund no longer requires all or part of the proceeds of the loan;

may require the school city to repay all or part of the loan. A school city shall, if necessary to repay all or part of a loan under this subsection, exercise its power to obtain a temporary loan from others under section 5 of this chapter to raise the money needed to repay the bond service fund the amount ordered repaid.

SECTION 154. IC 20-48-4-8, AS AMENDED BY P.L.146-2008, SECTION 527, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8. (a) ~~Upon approval by the department of local government finance (if required under section 6 of this chapter),~~ The township trustee may, with the consent of the township board, issue and sell the bonds of the civil township in an amount sufficient to pay for the alteration, construction, or addition described in section 6 of this chapter.

(b) The trustee may levy a tax on the taxable property of the township in an amount sufficient to discharge the bonds issued and sold. The bonds may not bear a maturity date more than twenty (20) years from the date of issue.

SECTION 155. IC 20-49-2-10, AS ADDED BY P.L.2-2006, SECTION 172, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. The state board shall make nondisaster advancements to school corporations under this chapter only when the following conditions exist:

(1) The school buildings and classrooms of any school corporation are not adequate for the proper education of the students in that public school or school corporation, and the school corporation is unable to finance the construction, remodeling, or repair of the necessary classrooms under existing debt and tax limitations without undue financial hardship.

(2) The school corporation has issued its bonds to construct, remodel, or repair schools and school buildings in ninety percent (90%) of the maximum amount allowable under the Constitution of the State of Indiana and Indiana law.

(3) The school corporation does not have funds available for the construction, remodeling, or repair of school buildings and classrooms sufficient to meet the requirements for the proper education of the school corporation's students.

~~(4) The school corporation has established and maintained a property tax levy in the amount of at least sixteen and sixty-seven hundredths cents ($0.1667) on each one hundred dollars ($100) of taxable property within the school corporation for school building purposes continuously for three (3) years before the time when the school corporation makes an application to the state board for an advancement.~~

SECTION 156. IC 23-14-66-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) If the legislative body is satisfied with the accuracy of the petition, it shall:

(1) record its findings at that meeting or at any regular meeting; and

(2) subject to subsection (b), levy and collect an annual tax, as other taxes are levied and collected, in an amount that it considers reasonable, to provide additional care and maintenance for the cemetery.

(b) Taxes collected by a city or town for the care and maintenance of a cemetery lying entirely outside of the corporate limits of the city or town may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three cents ($0.03) on each one hundred dollars ($100) of assessed valuation of property in the city or town.

SECTION 157. IC 23-14-67-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. A county cemetery commission may request the levy of an annual tax for the purpose of restoring and maintaining one (1) or more

cemeteries described in section 1 of this chapter that are located in the county. The tax may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of fifty cents ($0.50) on each one hundred dollars ($100) of assessed valuation of property in the county.

SECTION 158. IC 33-26-7-1, AS AMENDED BY P.L.154-2006, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. Subject to IC 4-6-2-11 **and** IC 4-6-5-3, ~~and the written approval of the attorney general,~~ a township assessor, a county assessor, a county auditor, a member of a county property tax assessment board of appeals, or a county property tax assessment board of appeals that:

(1) made an original determination that is the subject of a judicial proceeding in the tax court; and

(2) is a defendant in a judicial proceeding in the tax court;

may elect to be represented in the judicial proceeding by an attorney selected and paid by the defendant, the township, or the county.

SECTION 159. IC 36-1-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 4. (a) The fiscal body of a political subdivision may, by ordinance or resolution, permit the transfer of a prescribed amount, for a prescribed period, to a fund in need of money for cash flow purposes from another fund of the political subdivision if all these conditions are met:

(1) It must be necessary to borrow money to enhance the fund that is in need of money for cash flow purposes.

(2) There must be sufficient money on deposit to the credit of the other fund that can be temporarily transferred.

(3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs.

(4) The amount transferred must be returned to the other fund at the end of the prescribed period.

(5) Only revenues derived from the levying and collection of property taxes or special taxes or from operation of the political subdivision may be included in the amount transferred.

(b) If the fiscal body of a political subdivision determines that an emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following:

(1) Passes an ordinance or a resolution that contains the following:

(A) A statement that the fiscal body has determined that an emergency exists.

(B) A brief description of the grounds for the emergency.

(C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs.

(2) Immediately forwards the ordinance or resolution to the state board of accounts. ~~and the department of local government finance.~~

SECTION 160. IC 36-1-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. Notwithstanding sections 6, 12, 16, and 17 of this chapter, the following procedure shall be followed whenever a lease does not contain an option to purchase:

(1) The term of the lease may not be longer than ten (10) years. ~~however, a lease may be for a longer term if the lease is approved by the department of local government finance.~~

(2) The lease must provide that the lease is subject to annual appropriation by the appropriate fiscal body.

(3) The leasing agent must have a copy of the lease filed and kept in a place available for public inspection.

A leasing agent may lease part of a structure.

SECTION 161. IC 36-1-10-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 15. An action to:

(1) contest the validity of a lease under this chapter; or ~~to~~

(2) enjoin performance under the lease;

must be brought within thirty (30) days after publication of notice of the execution of the lease by the leasing agent. ~~or, if an appeal has been taken to the department of local government finance, then within thirty (30) days after the decision of the department.~~

SECTION 162. IC 36-1-10-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 16. (a) A political subdivision or agency owning a structure with respect to which its revenue bonds are outstanding may, to refinance those bonds, convey the structure to the lessor in fee simple and lease it from the lessor in accordance with this chapter. ~~subject to the approval of the department of local government finance.~~

(b) The price of a purchase under this section must be at least the sum of:

(1) the principal amount of the outstanding revenue bonds;

(2) interest on those bonds to the maturity date of bonds not subject to redemption before maturity and to the first redemption date of bonds subject to redemption before maturity; and

(3) the redemption premiums on all bonds subject to redemption before maturity.

An amount not less than this sum shall be deposited in trust for the payment of the outstanding revenue bonds in a manner consistent with the ordinance or trust agreement under which the bonds were issued. The money deposited in the trust, and investment income from it, not required for the payment of the bonds, shall be applied to the payment of the obligations issued by the lessor for the acquisition of the structure, and to a corresponding reduction of rentals for the leasing agent.

(c) Each lease entered into under this section must include an option permitting the political subdivision or agency to purchase the structure at a price not exceeding the amount required to retire all outstanding obligations issued by the lessor to acquire the property covered by the lease. The lease and sale of a parking facility under this section does not preclude the lease of air rights.

SECTION 163. IC 36-1-19-1, AS ADDED BY P.L.2-2007, SECTION 382, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. The county council of Knox County may fix and establish annually the rate of a special tax levy to be imposed on the taxable property of Knox County, for the support of Vincennes University. This levy may not exceed in any year **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the

department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three cents ($0.03) on each one hundred dollars ($100) of the taxable property in Knox County.

All revenue accruing from any tax levy imposed under this section shall be paid

~~(1)~~ into the county treasury as a separate and distinct fund and

~~(2)~~ to the proper fiduciary officer of Vincennes University on warrant of the county auditor.

SECTION 164. IC 36-3-5-8, AS AMENDED BY P.L.146-2008, SECTION 703, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8. (a) This section applies whenever a special taxing district of the consolidated city has the power to issue bonds, notes, or warrants.

(b) Before any bonds, notes, or warrants of a special taxing district may be issued, the issue must be approved by resolution of the legislative body of the consolidated city.

(c) Any bonds of a special taxing district must be issued in the manner prescribed by statute for that district, and the board of the department having jurisdiction over the district shall:

(1) hold all required hearings;

(2) adopt all necessary resolutions; and

(3) appropriate the proceeds of the bonds;

in that manner. However, the legislative body shall levy each year the special tax required to pay the principal of and interest on the bonds and any bank paying charges.

(d) Notwithstanding any other statute, bonds of a special taxing district may:

(1) be dated;

(2) be issued in any denomination;

(3) except as otherwise provided by IC 5-1-14-10, mature at any time or times not exceeding fifty (50) years after their date; and

(4) be payable at any bank or banks;

as determined by the board. The interest rate or rates that the bonds will bear must be determined by bidding, notwithstanding IC 5-1-11-3.

(e) Bonds of a special taxing district are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to the following:

~~(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.~~

~~(2)~~ **(1)** The giving of notice of a hearing on the appropriation of the proceeds of bonds.

~~(3)~~ **(2)** The right of taxpayers to appear and be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance.~~

~~(5)~~ **(3)** The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

~~(6)~~ **(4)** The sale of bonds at public sale.

~~(7)~~ **(5)** The maximum term or repayment period provided by IC 5-1-14-10.

SECTION 165. IC 36-5-2-11, AS AMENDED BY P.L.146-2008, SECTION 708, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 11. (a) The legislative body may issue bonds for the purpose of procuring money to be used in the exercise of the powers of the town and for the payment of town debts. However, a town may not issue bonds to procure money to pay current expenses.

(b) Bonds issued under this section are payable in the amounts and at the times determined by the legislative body.

(c) Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to the following:

~~(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.~~

~~(2)~~ **(1)** The giving of notice of a hearing on the appropriation of the proceeds of bonds.

~~(3)~~ **(2)** The right of taxpayers to appear and be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance.~~

~~(5)~~ **(3)** The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

~~(6)~~ **(4)** The sale of bonds at public sale for not less than their par value.

(d) The legislative body may, by ordinance, make loans of money for not more than five (5) years and issue notes for the purpose of refunding those loans. The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the town, and the total amount of outstanding loans under this subsection may not exceed five percent (5%) of the town's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals). Loans under this subsection shall be made as follows:

(1) The ordinance authorizing the loans must pledge to their payment a sufficient amount of tax revenues over the ensuing five (5) years to provide for refunding the loans.

(2) The loans must be evidenced by notes of the town in terms designating the nature of the consideration, the time and place payable, and the revenues out of which they will be payable.

(3) The interest accruing on the notes to the date of maturity may be added to and included in their face value or be made payable periodically, as provided in the ordinance.

Notes issued under this subsection are not bonded indebtedness for purposes of IC 6-1.1-18.5.

SECTION 166. IC 36-6-6-14, AS AMENDED BY P.L.146-2008, SECTION 715, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 14. (a) At any special meeting, if two (2) or more members give their consent, the legislative body may determine whether there is a need for fire and emergency services or other emergency requiring the expenditure of money not included in the township's budget estimates and levy.

(b) ~~Subject to section 14.5 of this chapter,~~ If the legislative body finds that a need for fire and emergency services or other emergency exists, it may issue a special order, entered and signed on the record, authorizing the executive to borrow a specified amount of money sufficient to meet the emergency.

(c) Notwithstanding IC 36-8-13-4(a), the legislative body may authorize the executive to borrow a specified sum from a

township fund other than the township firefighting fund if the legislative body finds that the emergency requiring the expenditure of money is related to paying the operating expenses of a township fire department or a volunteer fire department. At its next annual session, the legislative body shall cover the debt created by making a levy to the credit of the fund for which the amount was borrowed under this subsection.

(d) In determining whether a fire and emergency services need exists requiring the expenditure of money not included in the township's budget estimates and levy, the legislative body and any reviewing authority considering the approval of the additional borrowing shall consider the following factors:

(1) The current and projected certified and noncertified public safety payroll needs of the township.

(2) The current and projected need for fire and emergency services within the jurisdiction served by the township.

(3) Any applicable national standards or recommendations for the provision of fire protection and emergency services.

(4) Current and projected growth in the number of residents and other citizens served by the township, emergency service runs, certified and noncertified personnel, and other appropriate measures of public safety needs in the jurisdiction served by the township.

(5) Salary comparisons for certified and noncertified public safety personnel in the township and other surrounding or comparable jurisdictions.

(6) Prior annual expenditures for fire and emergency services, including all amounts budgeted under this chapter.

(7) Current and projected growth in the assessed value of property requiring protection in the jurisdiction served by the township.

(8) Other factors directly related to the provision of public safety within the jurisdiction served by the township.

(e) In the event the township received additional funds under this chapter in the immediately preceding budget year for an approved expenditure, any reviewing authority shall take into consideration the use of the funds in the immediately preceding budget year and the continued need for funding the services and operations to be funded with the proceeds of the loan.

SECTION 167. IC 36-7-4-1318 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1318. (a) A unit may not adopt an impact fee ordinance under section 1311 of this chapter unless the unit has prepared or substantially updated a zone improvement plan for each impact zone during the immediately preceding one (1) year period. A single zone improvement plan may be used for two (2) or more infrastructure types if the impact zones for the infrastructure types are congruent.

(b) Each zone improvement plan must contain the following information:

(1) A description of the nature and location of existing infrastructure in the impact zone.

(2) A determination of the current level of service.

(3) Establishment of a community level of service. A unit may provide that the unit's current level of service is the unit's community level of service in the zone improvement plan.

(4) An estimate of the nature and location of development that is expected to occur in the impact zone during the following ten (10) year period.

(5) An estimate of the nature, location, and cost of infrastructure that is necessary to provide the community level of service for the development described in subdivision (4). The plan must indicate the proposed timing and sequencing of infrastructure installation.

(6) A general description of the sources and amounts of money used to pay for infrastructure during the previous five (5) years.

(c) If a zone improvement plan provides for raising the current level of service to a higher community level of service, the plan must:

(1) provide for completion of the infrastructure that is necessary to raise the current level of service to the community level of service within the following ten (10) year period;

(2) indicate the nature, location, and cost of infrastructure that is necessary to raise the current level of service to the community level of service; and

(3) identify the revenue sources and estimate the amount of the revenue sources that the unit intends to use to raise the current level of service to the community level of service for existing development. Revenue sources include, without limitation, any increase in revenues available from one (1) or more of the following:

(A) Adopting or increasing the following:

(i) The county adjusted gross income tax.

(ii) The county option income tax.

(iii) The county economic development income tax.

(iv) The annual license excise surtax.

(v) The wheel tax.

(B) Imposing ~~the~~ **a** property tax ~~rate per one hundred dollars ($100) of assessed valuation that the unit may impose to create~~ **for** a cumulative capital improvement fund under IC 36-9-14.5 or IC 36-9-15.5.

(C) Transferring and reserving for infrastructure purposes other general revenues that are currently not being used to pay for capital costs of infrastructure.

(D) Dedicating and reserving for infrastructure purposes any newly available revenues, whether from federal or state revenue sharing programs or from the adoption of newly authorized taxes.

(d) A unit must consult with a qualified engineer licensed to perform engineering services in Indiana when the unit is preparing the portions of the zone improvement plan described in subsections (b)(1), (b)(2), (b)(5), and (c)(2).

(e) A zone improvement plan and amendments and modifications to the zone improvement plan become effective after adoption as part of the comprehensive plan under the 500 SERIES of this chapter or adoption as part of the capital improvements program under section 503(5) of this chapter. If the unit establishing the impact fee schedule or formula and establishing the zone improvement plan is different from the unit having planning and zoning jurisdiction, the unit having planning and zoning jurisdiction shall incorporate the zone improvement plan as part of the unit's comprehensive plan and capital improvement plan.

(f) If a unit's zone improvement plan identifies revenue sources for raising the current level of service to the community level of service, impact fees may not be assessed or collected by the unit unless:

(1) before the effective date of the impact fee ordinance the unit has available or has adopted the revenue sources that the zone improvement plan specifies will be in effect before the impact fee ordinance becomes effective; and

(2) after the effective date of the impact fee ordinance the unit continues to provide adequate funds to defray the cost of raising the current level of service to the community level of service, using revenue sources specified in the zone improvement plan or revenue sources other than impact fees.

SECTION 168. IC 36-7-13-4, AS AMENDED BY P.L.203-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) To provide money for the purposes set forth in section 3 of this chapter, the unit shall create a special revolving fund to be known as the industrial development fund, into which any available and unappropriated money of the unit may be transferred by the unit's legislative body.

(b) The legislative body may also by ordinance levy a tax not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed value of all personal and real property within its jurisdiction.

The proceeds of this tax shall be deposited in the industrial development fund. The unit may collect the tax as other municipal or county taxes are collected, or may set up a system for the collection and enforcement of the tax in the unit. Money in the industrial development fund may be used for any purpose authorized by this chapter and may be pledged for the payment of principal and interest on bonds or other obligations issued under this chapter.

SECTION 169. IC 36-7-25-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. **(a)** The definitions set forth in IC 36-7-14 and IC 36-7-15.1 apply throughout this chapter.

(b) As used in this chapter, "commission" refers to:

(1) a redevelopment commission established under IC 36-7-14; or

(2) the metropolitan development commission acting as the redevelopment commission of a consolidated city, subject to IC 36-3-4-23.

SECTION 170. IC 36-7-25-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 7. (a) As used in this section, "eligible entity" means a person whose principal functions include the provision of:**

(l) educational programs;

(2) work training programs;

(3) worker retraining programs; or

(4) any other programs;

designed to prepare individuals to participate in the competitive and global economy.

(b) After making the findings set forth in subsection (c), a commission, or two (2) or more commissions acting jointly, may contract with an eligible entity to provide:

(1) educational programs;

(2) work training programs;

(3) worker retraining programs; or

(4) any other programs;

designed to prepare individuals to participate in the competitive and global economy.

(c) Before a commission may contract for a program described in subsection (b), the commission must find that the program will promote the redevelopment and economic development of the unit, is of utility and benefit, and is in the best interests of the unit's residents.

(d) Except as provided in subsection (e), a commission may use any revenues legally available to the commission to fund a program described in subsection (b).

(e) A commission may not spend:

(1) bond proceeds; or

(2) more than fifteen percent (15%) of the allocated tax proceeds it receives on an annual basis;

to fund a program described in subsection (b).

SECTION 171. IC 36-7-14-25.1, AS AMENDED BY P.L.146-2008, SECTION 732, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 25.1. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by resolution and subject to subsection (p), issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;

(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;

(3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and

(4) expenses that the redevelopment commission is required or permitted to pay under IC 8-23-17.

(b) If the redevelopment commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed:

(A) fifty (50) years, for bonds issued before July 1, 2008;

(B) thirty (30) years, for bonds issued after June 30, 2008, to finance:

(i) an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6);

(ii) a part of an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6); or

(iii) property used in the operation or maintenance of an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6);

that received a certificate of public convenience and necessity from the Indiana utility regulatory commission under IC 8-1-8.5 et seq. before July 1, 2008; or

(C) twenty-five (25) years, for bonds issued after June 30, 2008, that are not described in clause (B).

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the redevelopment commission.

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds, subject to subsection (p). The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of

the unit and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under section 39(b)(2) of this chapter, or other revenues of the district may be sold at a private negotiated sale.

(h) Except as provided in subsection (i), a redevelopment commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the redevelopment commission:

(1) from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;

(2) from the tax proceeds allocated under section 39(b)(2) of this chapter;

(3) from other revenues available to the redevelopment commission; or

(4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(j) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(k) All laws relating to:

(1) the giving of notice of the issuance of bonds;

(2) the giving of notice of a hearing on the appropriation of the proceeds of the bonds; **and**

(3) the right of taxpayers to appear and be heard on the proposed appropriation; ~~and the approval of the appropriation by the department of local government finance~~

apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

apply to bonds issued under this chapter except for bonds payable solely from tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources.

(m) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(n) Any amount remaining in the debt service reserve after all of the bonds of the issue for which the debt service reserve was established have matured shall be:

(1) deposited in the allocation fund established under section 39(b)(2) of this chapter; and

(2) to the extent permitted by law, transferred to the county or municipality that established the department of redevelopment for use in reducing the county's or municipality's property tax levies for debt service.

(o) If bonds are issued under this chapter that are payable solely or in part from revenues to the redevelopment commission from a project or projects, the redevelopment commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the redevelopment commission. The redevelopment commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the redevelopment commission that are payable solely from revenues of the commission shall contain a statement to that effect in the form of bond.

(p) If the total principal amount of bonds authorized by a resolution of the redevelopment commission adopted before July 1, 2008, is equal to or greater than three million dollars ($3,000,000), the bonds may not be issued without the approval, by resolution, of the legislative body of the unit. Bonds authorized in any principal amount by a resolution of the redevelopment commission adopted after June 30, 2008, may not be issued without the approval of the legislative body of the unit.

SECTION 172. IC 36-7-14-25.2, AS AMENDED BY P.L.146-2008, SECTION 733, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 25.2. (a) A redevelopment commission may enter into a lease of any property that could be financed with the proceeds of bonds issued under this chapter with a lessor for a term not to exceed:

(1) fifty (50) years, for a lease entered into before July 1, 2008; or

(2) twenty-five (25) years, for a lease entered into after June 30, 2008.

The lease may provide for payments to be made by the redevelopment commission from special benefits taxes levied under section 27 of this chapter, taxes allocated under section 39 of this chapter, any other revenues available to the redevelopment commission, or any combination of these sources.

(b) A lease may provide that payments by the redevelopment commission to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the redevelopment commission only after a public hearing by the redevelopment commission at which all interested parties are provided the opportunity to be heard. After the public hearing, the redevelopment commission may adopt a resolution authorizing the execution of the lease on behalf of the unit if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by a resolution of the redevelopment commission must be approved by an ordinance of the fiscal body of the unit.

(d) Upon execution of a lease providing for payments by the redevelopment commission in whole or in part from the levy of special benefits taxes under section 27 of this chapter and upon approval of the lease by the unit's fiscal body, the redevelopment commission shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. ~~Fifty (50) or more taxpayers residing in the redevelopment district who will be~~

~~affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be.~~

~~(c) Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with such other data as may be necessary in order to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for a hearing in the redevelopment district, which must be not less than five (5) or more than thirty (30) days after the time is fixed. Notice of the hearing shall be given by the department of local government finance to the members of the fiscal body, to the redevelopment commission, and to the first fifty (50) petitioners on the petition by a letter signed by the commissioner or deputy commissioner of the department and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease, and as to whether the payments under it are fair and reasonable, is final.~~

~~(f)~~ **(e)** A redevelopment commission entering into a lease payable from allocated taxes under section 39 of this chapter or other available funds of the redevelopment commission may:

(1) pledge the revenue to make payments under the lease pursuant to IC 5-1-14-4; and

(2) establish a special fund to make the payments.

~~(g)~~ **(f)** Lease rentals may be limited to money in the special fund so that the obligations of the redevelopment commission to make the lease rental payments are not considered debt of the unit or the district for purposes of the Constitution of the State of Indiana.

~~(h)~~ **(g)** Except as provided in this section, no approvals of any governmental body or agency are required before the redevelopment commission enters into a lease under this section.

~~(i)~~ **(h)** An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease. ~~However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the department of local government finance, an action to contest the validity or enjoin the performance must be brought within thirty (30) days after the decision of the department.~~

~~(j)~~ **(i)** If a redevelopment commission exercises an option to buy a leased facility from a lessor, the redevelopment commission may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the redevelopment commission through auction, appraisal, or arms length negotiation. If the facility is sold at auction, after appraisal, or through negotiation, the redevelopment commission shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days of the hearing.

SECTION 173. IC 36-7-14-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 28. (a) A tax:

(1) at a rate not to exceed:

(A) the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year; or

(B) the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. However, the taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) per one hundred dollars ($100) of assessed valuation;

in a municipality; and ~~a tax~~

(2) at a rate not to exceed:

(A) the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year; or

(B) the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. However, the taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of one and thirty-three hundredths cents ($0.0133) per one hundred dollars ($100) of assessed valuation;

in a county;

may be levied each year for the purposes of this chapter. ~~including:~~

(b) The purposes for which the tax may be levied under this section include:

(1) the payment, in whole or in part, of planning and survey costs;

(2) the costs of property acquisition and redevelopment; and

(3) the payment of all general expenses of the department of redevelopment.

However, a county may not levy this tax within the jurisdiction of a city redevelopment commission.

~~(b)~~ **(c)** Each year the redevelopment commission shall formulate and file a budget for the tax levy, in the same manner as executive departments of the unit are required to formulate and file budgets. This budget is subject to review and modification in the same manner as the budgets and tax levies formulated by executive departments of the unit.

~~(c)~~ **(d)** Revenues obtained from the tax levy for the payment in whole or in part of the costs of acquisition of land, rights-of-way, or other properties shall be deposited in the redevelopment district capital fund established under section 26 of this chapter. Other revenues obtained from the tax levy shall be deposited in a fund to be known as the redevelopment district general fund.

SECTION 174. IC 36-7-15.1-16, AS AMENDED BY

P.L.146-2008, SECTION 750, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 16. (a) For the purpose of raising money to carry out this chapter or IC 36-7-15.3, the city-county legislative body may levy each year a special tax upon all property in the redevelopment district. The tax so levied each year shall be certified to the fiscal officers of the city and the county before September 2 of each year. The tax shall be estimated and entered upon the tax duplicates by the county auditor, and shall be collected and enforced by the county treasurer in the same manner as state and county taxes are estimated, entered, collected, and enforced.

(b) As the tax is collected by the county treasurer, it shall be accumulated and kept in a separate fund to be known as the redevelopment district fund and shall be expended and applied only for the purposes of this chapter or IC 36-7-15.3.

(c) **Except as otherwise provided by this chapter,** the amount of the special tax levy shall be based on the budget of the department but may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable valuation in the redevelopment district. ~~except as otherwise provided in this chapter.~~

(d) The budgets and tax levies under this chapter are subject to review and modification in the manner prescribed by IC 36-3-6.

SECTION 175. IC 36-7-15.1-17.1, AS AMENDED BY P.L.146-2008, SECTION 752, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 17.1. (a) A commission may enter into a lease of any property that may be financed with the proceeds of bonds issued under this chapter with a lessor for a term not to exceed:

(1) fifty (50) years, for a lease entered into before July 1, 2008; or

(2) twenty-five (25) years, for a lease entered into after June 30, 2008.

The lease may provide for payments to be made by the commission from special benefits taxes levied under section 19 of this chapter, taxes allocated under section 26 of this chapter, any other revenue available to the commission, or any combination of these sources.

(b) A lease may provide that payments by the commission to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the commission only after a public hearing by the commission at which all interested parties are given the opportunity to be heard. Notice of the hearing must be given by publication in accordance with IC 5-3-1. After the public hearing, the commission may adopt a resolution authorizing the execution of the lease on behalf of the unit if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by a resolution of the commission must be approved by an ordinance of the fiscal body of the unit.

(d) Upon execution of a lease providing for payments by the commission in whole or in part from the levy of special benefits taxes under section 19 of this chapter and upon approval of the lease by the fiscal body, the commission shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. ~~Fifty (50) or more taxpayers residing in the district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be. Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with such other data as may be necessary in order to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for the hearing in the redevelopment district, which must be not less than five (5) or more than thirty (30) days after the time for the hearing is fixed. Notice of the hearing shall be given by the department of local government finance to the members of the fiscal body, to the commission, and to the first fifty (50) petitioners on the petition by a letter signed by the commissioner or deputy commissioner of the department and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease and as to whether the payments under it are fair and reasonable, is final.~~

(e) A commission entering into a lease payable from allocated taxes under section 26 of this chapter or revenues or other available funds of the commission may:

(1) pledge the revenue to make payments under the lease pursuant to IC 5-1-14-4; and

(2) establish a special fund to make the payments.

Lease rentals may be limited to money in the special fund so that the obligations of the commission to make the lease rental payments are not considered a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(f) Except as provided in this section, no approvals of any governmental body or agency are required before the commission enters into a lease under this section.

(g) An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease. ~~However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the department of local government finance, an action to contest the validity or to enjoin performance must be brought within thirty (30) days after the decision of the department.~~

(h) If a commission exercises an option to buy a leased facility from a lessor, the commission may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair

market value established at the time of the sale by the commission through auction, appraisal, or arms length negotiation. If the facility is sold at auction, after appraisal, or through negotiation, the commission shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days after the hearing.

SECTION 176. IC 36-7-15.1-46, AS AMENDED BY P.L.146-2008, SECTION 763, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 46. (a) A commission may enter into a lease of any property that may be financed with the proceeds of bonds issued under section 45 of this chapter with a lessor for a term not to exceed:

(1) fifty (50) years, for a lease entered into before July 1, 2008; or

(2) twenty-five (25) years, for a lease entered into after June 30, 2008.

The lease may provide for payments to be made by the commission from special benefits taxes levied under section 50 of this chapter, taxes allocated under section 53 of this chapter, any other revenue available to the commission, or any combination of these sources.

(b) A lease may provide that payments by the commission to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the commission only after a public hearing by the commission at which all interested parties are given the opportunity to be heard. Notice of the hearing must be given by publication in accordance with IC 5-3-1. After the public hearing, the commission may adopt a resolution authorizing the execution of the lease on behalf of the unit if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by a resolution of the commission must be approved by an ordinance of the fiscal body of the excluded city.

(d) Upon execution of a lease providing for payments by the commission in whole or in part from the levy of special benefits taxes under section 50 of this chapter and upon approval of the lease by the fiscal body, the commission shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. ~~Fifty (50) or more taxpayers residing in the district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be. Upon the filing of the petition, the county auditor shall immediately certify a copy of the petition, together with such other data as may be necessary in order to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for the hearing in the redevelopment district, which must not be less than five (5) or more than thirty (30) days after the time for the hearing is fixed. Notice of the hearing shall be given by the department of local government finance to the members of the fiscal body, to the commission, and to the first fifty (50) petitioners on the petition by a letter signed by the commissioner or deputy commissioner of the department and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease and as to whether the payments under it are fair and reasonable, is final.~~

(e) A commission entering into a lease payable from allocated taxes under section 53 of this chapter or revenues or other available funds of the commission may:

(1) pledge the revenue to make payments under the lease as provided in IC 5-1-14-4; and

(2) establish a special fund to make the payments.

Lease rentals may be limited to money in the special fund so that the obligations of the commission to make the lease rental payments are not considered a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(f) Except as provided in this section, no approvals of any governmental body or agency are required before the commission enters into a lease under this section.

(g) An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease. ~~However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the department of local government finance, an action to contest the validity or to enjoin performance must be brought within thirty (30) days after the decision of the department of local government finance.~~

(h) If a commission exercises an option to buy a leased facility from a lessor, the commission may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the commission through auction, appraisal, or arms length negotiation. If the facility is sold at auction, after appraisal, or through negotiation, the commission shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days after the hearing.

SECTION 177. IC 36-7-29-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 16. (a) District bonds may be issued by a board under this chapter without following any procedures set forth in any other statute except that the board must:

(1) adopt a bond resolution after a public hearing following public notice of the hearing published in accordance with IC 5-3-1; **and**

(2) publish notice of the determination to issue district bonds in accordance with IC 6-1.1-20-5.

~~(3) obtain the approval for the appropriation of the proceeds of the district bonds as set forth in IC 6-1.1-18-5 if the appropriation is an additional appropriation; and~~

~~(4) obtain the approval of the department of local government finance for a tax levy under IC 6-1.1-18.5-8.~~

(b) The bond resolution must contain a finding that substance removal or remedial action at the qualified site will be of public utility and benefit because the conditions at the qualified site are detrimental to the social and economic interests of the district.

SECTION 178. IC 36-8-6-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 1.5. (a) As used in this chapter, "Internal Revenue Code":

(1) means the Internal Revenue Code of 1954, as in effect on September 1, 1974, if permitted with respect to governmental plans; or

(2) to the extent not inconsistent with subdivision (1), has the meaning set forth in IC 6-3-1-11.

(b) The 1925 fund shall satisfy the qualification requirements in Section 401 of the Internal Revenue Code, as applicable to the

1925 fund. In order to meet those requirements, the 1925 fund is subject to the following provisions, notwithstanding any other provision of this chapter:

(1) The local board shall distribute the corpus and income of the 1925 fund to members and their beneficiaries in accordance with this chapter.

(2) **Subject to subsection (d),** no part of the corpus or income of the 1925 fund may be used or diverted to any purpose other than the exclusive benefit of the members and their beneficiaries.

(3) Forfeitures arising from severance of employment, death, or for any other reason may not be applied to increase the benefits any member would otherwise receive under this chapter.

(4) If the 1925 fund is terminated, or if all contributions to the 1925 fund are completely discontinued, the rights of each affected member to the benefits accrued at the date of the termination or discontinuance, to the extent then funded, are nonforfeitable.

(5) All benefits paid from the 1925 fund shall be distributed in accordance with the requirements of Section 401(a)(9) of the Internal Revenue Code and the regulations under that section. In order to meet those requirements, the 1925 fund is subject to the following provisions:

(A) The life expectancy of a member, the member's spouse, or the member's beneficiary shall not be recalculated after the initial determination, for purposes of determining benefits.

(B) If a member dies before the distribution of the member's benefits has begun, distributions to beneficiaries must begin no later than December 31 of the calendar year immediately following the calendar year in which the member died.

(C) The amount of an annuity paid to a member's beneficiary may not exceed the maximum amount determined under the incidental death benefit requirement of the Internal Revenue Code.

(6) The local board may not:

(A) determine eligibility for benefits;

(B) compute rates of contribution; or

(C) compute benefits of members or beneficiaries;

in a manner that discriminates in favor of members who are considered officers, supervisors, or highly compensated, as prohibited under Section 401(a)(4) of the Internal Revenue Code.

(7) Benefits paid under this chapter may not exceed the maximum benefit specified by Section 415 of the Internal Revenue Code.

(8) The salary taken into account under this chapter may not exceed the applicable amount under Section 401(a)(17) of the Internal Revenue Code.

(9) The local board may not engage in a transaction prohibited by Section 503(b) of the Internal Revenue Code.

(c) Notwithstanding any other provision of this chapter, and solely for the purposes of the benefits provided under this chapter, the benefit limitations of Section 415 of the Internal Revenue Code shall be determined by applying the provisions of Section 415(b)(10) of the Internal Revenue Code, as amended by the Technical and Miscellaneous Revenue Act of 1988. This section constitutes an election under Section 415(b)(10)(C) of the Internal Revenue Code to have Section 415(b) of the Internal Revenue Code, other than Section 415(b)(2)(G) of the Internal Revenue Code, applied without regard to Section 415(b)(2)(F) of the Internal Revenue Code to anyone who did not first become a participant before January 1, 1990.

(d) The general assembly finds that any balance in a 1925 fund accruing from property taxes is no longer necessary to meet the obligations of the 1925 fund as a result of a change in IC 5-10.3-11-4.7 in 2008, which increased the amount payable by the state to local units of government to cover the total amount of pension, disability, and survivor benefit payments payable from the 1925 fund. To the extent permitted under Section 401 of the Internal Revenue Code, a local board may authorize the use of money in the 1925 fund to pay the following:

(1) Costs incurred by the local board or a city or town to administer the 1925 fund.

(2) Costs of health insurance or other health benefits provided to members of the 1925 fund or their beneficiaries.

The maximum amount that may be used under this subsection is the sum of the unencumbered balance of the 1925 fund on December 31, 2008, and the amount of property taxes imposed for an assessment date before January 16, 2008, for the benefit of the 1925 fund and deposited in the 1925 fund after December 31, 2008.

SECTION 179. IC 36-8-7-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 2.5. (a) As used in this chapter, "Internal Revenue Code":

(1) means the Internal Revenue Code of 1954, as in effect on September 1, 1974, if permitted with respect to governmental plans; or

(2) to the extent not inconsistent with subdivision (1), has the meaning set forth in IC 6-3-1-11.

(b) The 1937 fund shall satisfy the qualification requirements in Section 401 of the Internal Revenue Code, as applicable to the 1937 fund. In order to meet those requirements, the 1937 fund is subject to the following provisions, notwithstanding any other provision of this chapter:

(1) The local board shall distribute the corpus and income of the 1937 fund to members and their beneficiaries in accordance with this chapter.

(2) **Subject to subsection (d),** no part of the corpus or income of the 1937 fund may be used or diverted to any purpose other than the exclusive benefit of the members and their beneficiaries.

(3) Forfeitures arising from severance of employment, death, or for any other reason may not be applied to increase the benefits any member would otherwise receive under this chapter.

(4) If the 1937 fund is terminated, or if all contributions to the 1937 fund are completely discontinued, the rights of each affected member to the benefits accrued at the date of the termination or discontinuance, to the extent then funded, are nonforfeitable.

(5) All benefits paid from the 1937 fund shall be distributed in accordance with the requirements of Section 401(a)(9) of the Internal Revenue Code and the regulations under that section. In order to meet those requirements, the 1937 fund is subject to the following provisions:

(A) The life expectancy of a member, the member's spouse, or the member's beneficiary shall not be recalculated after the initial determination, for purposes of determining benefits.

(B) If a member dies before the distribution of the member's benefits has begun, distributions to beneficiaries must begin no later than December 31 of the calendar year immediately following the calendar year in which the member died.

(C) The amount of an annuity paid to a member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of the Internal Revenue Code.

(6) The local board may not:

(A) determine eligibility for benefits;

(B) compute rates of contribution; or

(C) compute benefits of members or beneficiaries;

in a manner that discriminates in favor of members who are considered officers, supervisors, or highly compensated, as prohibited under Section 401(a)(4) of the Internal Revenue Code.

(7) Benefits paid under this chapter may not exceed the maximum benefit specified by Section 415 of the Internal Revenue Code.

(8) The salary taken into account under this chapter may not exceed the applicable amount under Section 401(a)(17) of the Internal Revenue Code.

(9) The local board may not engage in a transaction prohibited by Section 503(b) of the Internal Revenue Code.

(c) Notwithstanding any other provision of this chapter, and solely for the purposes of the benefits provided under this chapter, the benefit limitations of Section 415 of the Internal Revenue Code shall be determined by applying the provisions of Section 415(b)(10) of the Internal Revenue Code, as amended by the Technical and Miscellaneous Revenue Act of 1988. This section constitutes an election under Section 415(b)(10)(C) of the Internal Revenue Code to have Section 415(b) of the Internal Revenue Code, other than Section 415(b)(2)(G) of the Internal Revenue Code, applied without regard to Section 415(b)(2)(F) of the Internal Revenue Code to anyone who did not first become a participant before January 1, 1990.

(d) The general assembly finds that any balance in a 1937 fund accruing from property taxes is no longer necessary to meet the obligations of the 1937 fund as a result of a change in IC 5-10.3-11-4.7 in 2008, which increased the amount payable by the state to local units of government to cover the total amount of pension, disability, and survivor benefit payments payable from the 1937 fund. To the extent permitted under Section 401 of the Internal Revenue Code, a local board may authorize the use of money in the 1937 fund to pay the following:

(1) Costs incurred by the local board or a city or town to administer the 1937 fund.

(2) Costs of health insurance or other health benefits provided to members of the 1937 fund or their beneficiaries.

The maximum amount that may be used under this subsection is the sum of the unencumbered balance of the 1937 fund on December 31, 2008, and the amount of property taxes imposed for an assessment date before January 16, 2008, for the benefit of the 1937 fund and deposited in the 1937 fund after December 31, 2008.

SECTION 180. IC 36-8-7.5-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 1.5. (a) As used in this chapter, "Internal Revenue Code":

(1) means the Internal Revenue Code of 1954, as in effect on September 1, 1974, if permitted with respect to governmental plans; or

(2) to the extent not inconsistent with subdivision (1), has the meaning set forth in IC 6-3-1-11.

(b) The 1953 fund shall satisfy the qualification requirements in Section 401 of the Internal Revenue Code, as applicable to the 1953 fund. In order to meet those requirements, the 1953 fund is subject to the following provisions, notwithstanding any other provision of this chapter:

(1) The local board shall distribute the corpus and income of the 1953 fund to members and their beneficiaries in accordance with this chapter.

(2) **Subject to subsection (d),** no part of the corpus or income of the 1953 fund may be used or diverted to any purpose other than the exclusive benefit of the members and their beneficiaries.

(3) Forfeitures arising from severance of employment, death, or for any other reason may not be applied to increase the benefits any member would otherwise receive under this chapter.

(4) If the 1953 fund is terminated, or if all contributions to the 1953 fund are completely discontinued, the rights of each affected member to the benefits accrued at the date of the termination or discontinuance, to the extent then funded, are nonforfeitable.

(5) All benefits paid from the 1953 fund shall be distributed in accordance with the requirements of Section 401(a)(9) of the Internal Revenue Code and the regulations under that section. In order to meet those requirements, the 1953 fund is subject to the following provisions:

(A) The life expectancy of a member, the member's spouse, or the member's beneficiary shall not be recalculated after the initial determination, for purposes of determining benefits.

(B) If a member dies before the distribution of the member's benefits has begun, distributions to beneficiaries must begin no later than December 31 of the calendar year immediately following the calendar year in which the member died.

(C) The amount of an annuity paid to a member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of the Internal Revenue Code.

(6) The local board may not:

(A) determine eligibility for benefits;

(B) compute rates of contribution; or

(C) compute benefits of members or beneficiaries;

in a manner that discriminates in favor of members who are considered officers, supervisors, or highly compensated, as prohibited under Section 401(a)(4) of the Internal Revenue Code.

(7) Benefits paid under this chapter may not exceed the maximum benefit specified by Section 415 of the Internal Revenue Code.

(8) The salary taken into account under this chapter may not exceed the applicable amount under Section 401(a)(17) of the Internal Revenue Code.

(9) The local board may not engage in a transaction prohibited by Section 503(b) of the Internal Revenue Code.

(c) Notwithstanding any other provision of this chapter, and solely for the purposes of the benefits provided under this chapter, the benefit limitations of Section 415 of the Internal Revenue Code shall be determined by applying the provisions of Section 415(b)(10) of the Internal Revenue Code, as amended by the Technical and Miscellaneous Revenue Act of 1988. This section constitutes an election under Section 415(b)(10)(C) of the Internal Revenue Code to have Section 415(b) of the Internal Revenue Code, other than Section 415(b)(2)(G) of the Internal Revenue Code, applied without regard to Section 415(b)(2)(F) of the Internal Revenue Code to anyone who did not first become a participant before January 1, 1990.

(d) The general assembly finds that any balance in a 1953 fund accruing from property taxes is no longer necessary to meet the obligations of the 1953 fund as a result of a change in IC 5-10.3-11-4.7 in 2008, which increased the amount payable by the state to local units of government to cover the total amount of pension, disability, and survivor benefit payments payable from the 1953 fund. To the extent permitted under Section 401 of the Internal Revenue Code, a local board may authorize the use of money in the 1953 fund to pay the following:

(1) Costs incurred by the local board or a city or town to administer the 1953 fund.

(2) Costs of health insurance or other health benefits provided to members of the 1953 fund or their beneficiaries.

The maximum amount that may be used under this subsection is the sum of the unencumbered balance of the

1953 fund on December 31, 2008, and the amount of property taxes imposed for an assessment date before January 16, 2008, for the benefit of the 1953 fund and deposited in the 1953 fund after December 31, 2008.

SECTION 181. IC 36-8-11-18, AS AMENDED BY P.L.146-2008, SECTION 780, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 18. (a) The board shall annually budget the necessary money to meet the expenses of operation and maintenance of the district, including repairs, fees, salaries, depreciation on all depreciable assets, rents, supplies, contingencies, bond redemption, and all other expenses lawfully incurred by the district. After estimating expenses and receipts of money, the board shall establish the tax levy required to fund the estimated budget.

(b) The budget must be approved by:

(1) the fiscal body of the county **in conformity with IC 6-1.1-17-20; and**

(2) the county board of tax adjustment, ~~and the department of local government finance.~~ **if a county board of tax adjustment reviews budgets, tax rates, and tax levies in a county where the fire protection territory is located.**

(c) ~~Upon approval by the department of local government finance, the board shall certify the approved tax levy to the auditor of the county having land within the district. The auditor shall have the levy entered on the county treasurer's tax records for collection.~~ After collection of the taxes the auditor shall issue a warrant on the treasurer to transfer the revenues collected to the board, as provided by statute.

SECTION 182. IC 36-8-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) To provide for the cumulative building and equipment fund established under this chapter, the legislative body may levy a tax on all taxable property within the taxing district in compliance with IC 6-1.1-41. The tax rate may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of assessed valuation of property in the taxing district.

(b) As the tax is collected, it shall be deposited in a qualified public depository or depositories and held in a special fund to be known as the "building or remodeling, firefighting, and police radio equipment fund" in the case of a municipality or as the "building or remodeling and fire equipment fund" in the case of a township or fire protection district.

SECTION 183. IC 36-8-15-15.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 15.1. (a) A board may enter into a lease of any facility that may be financed with the proceeds of bonds issued under this chapter with a lessor for a term not to exceed fifty (50) years. The lease may provide for payments to be made by the board from special benefits taxes levied under section 14 of this chapter and any other revenue available to the board, or any combination of these sources.

(b) A lease may provide that payments by the board to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the board only after a public hearing by the board at which all interested parties are given the opportunity to be heard. Notice of the hearing must be given by publication in accordance with IC 5-3-1. After the public hearing, the board may adopt a resolution authorizing the execution of the lease on behalf of the unit if the board finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of the unit's residents. A lease approved by a resolution of the board must be approved by an ordinance of the fiscal body of the unit.

(d) Upon execution of a lease providing for payments by the board in whole or in part from the levy of special benefits taxes under section 14 of this chapter and upon approval of the lease by the fiscal body, the board shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. ~~Fifty (50) or more taxpayers residing in the district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be. Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with any other data necessary in order to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for the hearing in the district, which must be not less than five (5) or more than thirty (30) days after the time of the hearing is fixed. Notice of the hearing shall be given by the department of local government finance to the members of the fiscal body, the board, and the first fifty (50) petitioners on the petition by a letter signed by the commissioner or deputy commissioner of the department and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease and as to whether the payments under it are fair and reasonable, is final.~~

(e) A board entering into a lease that is payable from revenues or other available funds of the board may:

(1) pledge the revenue to make payments under the lease as provided in IC 5-1-14-4; and

(2) establish a special fund to make the payments.

Lease rentals may be limited to money in the special fund so that the obligations of the board to make the lease rental payments are not considered a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(f) Except as provided in this section, no approvals of a governmental body or an agency are required before the board enters into a lease under this section.

(g) An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease. ~~However, if the lease~~

~~is payable in whole or in part from tax levies and an appeal has been taken to the department of local government finance, an action to contest the validity or to enjoin performance must be brought within thirty (30) days after the decision of the department.~~

(h) If a board exercises an option to buy a leased facility from a lessor, the board may subsequently sell the leased facility, without regard to any other statutes, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the board through an auction, appraisal, or arms length negotiation. The board shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. An action to contest the sale must be brought within fifteen (15) days after the hearing.

SECTION 184. IC 36-8-15-19, AS AMENDED BY P.L.146-2008, SECTION 784, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 19. (a) This subsection applies to a county that has a population of more than one hundred eighty-two thousand seven hundred ninety (182,790) but less than two hundred thousand (200,000). For the purpose of raising money to fund the operation of the district, the county fiscal body may impose, for property taxes first due and payable during each year after the adoption of an ordinance establishing the district, an ad valorem property tax levy on property within the district. The property tax rate for that levy may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five cents ($0.05) on each one hundred dollars ($100) of assessed valuation.

(b) This subsection applies to a county having a consolidated city. The county fiscal body may elect to fund the operation of the district from part of the certified distribution, if any, that the county is to receive during a particular calendar year under IC 6-3.5-6-17. To make such an election, the county fiscal body must adopt an ordinance before September 1 of the immediately preceding calendar year. The county fiscal body must specify in the ordinance the amount of the certified distribution that is to be used to fund the operation of the district. If the county fiscal body adopts such an ordinance, it shall immediately send a copy of the ordinance to the county auditor.

(c) Subject to subsections (d), (e), and (f), if an ordinance or resolution is adopted changing the territory covered by the district or the number of public agencies served by the district, the local government tax control board shall, for property taxes first due and payable during the year after the adoption of the ordinance, adjust the maximum permissible ad valorem property tax levy limits of the district and the units participating in the district.

(d) If a unit by ordinance or resolution joins the district or elects to have its public safety agencies served by the district, the local government tax control board shall reduce the maximum permissible ad valorem property tax levy of the unit for property taxes first due and payable during the year after the adoption of the ordinance or resolution. The reduction shall be based on the amount budgeted by the unit for public safety communication services in the year in which the ordinance was adopted. If such an ordinance or resolution is adopted, the district shall refer its proposed budget, ad valorem property tax levy, and property tax rate for the following year to the board, which shall review and set the budget, levy, and rate as though the district were covered by IC 6-1.1-18.5-7.

(e) If a unit by ordinance or resolution withdraws from the district or rescinds its election to have its public safety agencies served by the district, the local government tax control board shall reduce the maximum permissible ad valorem property tax levy of the district for property taxes first due and payable during the year after the adoption of the ordinance or resolution. The reduction shall be based on the amounts being levied by the district within that unit. If such an ordinance or resolution is adopted, the unit shall refer its proposed budget, ad valorem property tax levy, and property tax rate for public safety communication services to the board, which shall review and set the budget, levy, and rate as though the unit were covered by IC 6-1.1-18.5-7.

(f) The adjustments provided for in subsections (c), (d), and (e) do not apply to a district or unit located in a particular county if the county fiscal body of that county does not impose an ad valorem property tax levy under subsection (a) to fund the operation of the district.

(g) A county that has adopted an ordinance under section 1(3) of this chapter may not impose an ad valorem property tax levy on property within the district to fund the operation or implementation of the district.

SECTION 185. IC 36-8-19-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 6.5. (a) The legislative bodies of all participating units in a territory may agree to change the provider unit of the territory from one (1) participating unit to another participating unit. To change the provider unit, the legislative body of each participating unit must adopt an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township) that agrees to and specifies the new provider unit. The provider unit may not be changed unless all participating units agree on the participating unit that will become the new provider unit. The participating units may not change the provider unit more than one (1) time in any year.**

(b) The following apply to an ordinance or a resolution adopted under this section to change the provider unit of the territory:

(1) The ordinance or resolution must be adopted after January 1 but before April 1 of a year.

(2) The ordinance or resolution takes effect January 1 of the year following the year in which the ordinance or resolution is adopted.

SECTION 186. IC 36-8-19-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 7.5. (a) This section applies to:**

(1) county adjusted gross income tax, county option income tax, and county economic development income tax distributions; and

(2) excise tax distributions;

made after December 31, 2009.

(b) For purposes of allocating any county adjusted gross income tax, county option income tax, and county economic development income tax distributions or excise tax distributions that are distributed based on the amount of a taxing unit's property tax levies, each participating unit in a territory shall be considered to have imposed a part of the

property tax levy imposed for the territory. The part of the property tax levy imposed for the territory for a particular year that shall be attributed to a participating unit is equal to the amount determined in the following STEPS:

STEP ONE: Determine the total amount of all property taxes imposed by the participating unit in the year before the year in which a property tax levy was first imposed for the territory.

STEP TWO: Determine the sum of the STEP ONE amounts for all participating units.

STEP THREE: Divide the STEP ONE result by the STEP TWO result.

STEP FOUR: Multiply the STEP THREE result by the property tax levy imposed for the territory for the particular year.".

Page 29, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 188. IC 36-8-19-8.5, AS AMENDED BY P.L.47-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8.5. (a) Participating units may agree to establish an equipment replacement fund under this section to be used to purchase fire protection equipment, including housing, that will be used to serve the entire territory. To establish the fund, the legislative bodies of each participating unit must adopt an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township) that meets the following requirements:

(1) The ordinance or resolution is identical to the ordinances and resolutions adopted by the other participating units under this section.

(2) The ordinance or resolution is adopted after January 1 but before April 1.

(3) The ordinance or resolution authorizes the provider unit to establish the fund.

(4) The ordinance or resolution includes at least the following:

(A) The name of each participating unit and the provider unit.

(B) An agreement to impose a uniform tax rate upon all of the taxable property within the territory for the equipment replacement fund.

(C) The contents of the agreement to establish the fund.

An ordinance or a resolution adopted under this section takes effect July 1 of the year the ordinance or resolution is adopted.

(b) If a fund is established, the participating units may agree to:

(1) impose a property tax to provide for the accumulation of money in the fund to purchase fire protection equipment;

(2) incur debt to purchase fire protection equipment and impose a property tax to retire the loan; or

(3) transfer an amount from the fire protection territory fund to the fire equipment replacement fund not to exceed five percent (5%) of the levy for the fire protection territory fund for that year;

or any combination of these options.

(c) The ~~property tax rate for the~~ levy imposed under this section may not exceed **the following:**

(1) The levy imposed for the fund in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the participating unit levied a property tax for the fund in the immediately preceding year.

(2) The levy imposed for the fund for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the participating unit did not levy a property tax for the fund in the immediately preceding year. The participating unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) per one hundred dollars ($100) of assessed value.

(d) Before debt may be incurred, the fiscal body of a participating unit must adopt an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township) that specifies the amount and purpose of the debt. The ordinance or resolution must be identical to the other ordinances and resolutions adopted by the participating units. ~~In addition, the department of local government finance must approve the incurrence of the debt using the same standards as applied to the incurrence of debt by civil taxing units.~~

~~(c)~~ **(e)** Money in the fund may be used by the provider unit only for those purposes set forth in the agreement among the participating units that permits the establishment of the fund.

SECTION 189. IC 36-9-3-31, AS AMENDED BY P.L.146-2008, SECTION 786, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 31. (a) This section applies to an authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) The authority may issue revenue or general obligation bonds under this section.

(c) The board may issue revenue bonds of the authority for the purpose of procuring money to pay the cost of acquiring real or personal property for the purpose of this chapter. The issuance of bonds must be authorized by resolution of the board and approved by the county fiscal bodies of the counties in the authority before issuance. The resolution must provide for the amount, terms, and tenor of the bonds, and for the time and character of notice and mode of making sale of the bonds.

(d) The bonds are payable at the times and places determined by the board, but they may not run more than thirty (30) years after the date of their issuance and must be executed in the name of the authority by an authorized officer of the board and attested by the secretary. The interest coupons attached to the bonds may be executed by placing on them the facsimile signature of the authorized officer of the board.

(e) The president of the authority shall manage and supervise the preparation, advertisement, and sale of the bonds, subject to the authorizing ordinance. Before the sale of bonds, the president shall cause notice of the sale to be published in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold in accordance with IC 5-1-11. After the bonds have been properly sold and executed, the executive director or president shall deliver them to the controller of the authority and take a receipt for them, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price the controller shall deliver the bonds to the purchaser, and the controller and executive director or president shall report their actions to the board.

(f) General obligation bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to the following:

~~(1) The filing of a petition requesting the issuance of bonds.~~

~~(2)~~ **(1)** The appropriation of the proceeds of bonds.

~~(3)~~ **(2)** The right of taxpayers to ~~appeal and~~ be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance.~~

~~(5)~~ **(3)** The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

~~(6)~~ **(4)** The sale of bonds for not less than their par value.

(g) Notice ~~of the filing of a petition requesting the issuance of bonds, notice~~ of determination to issue bonds, and notice of the appropriation of the proceeds of the bonds shall be given by posting in the offices of the authority for a period of one (1) week and by publication in accordance with IC 5-3-1.

(h) The bonds are not a corporate indebtedness of any unit, but are an indebtedness of the authority as a municipal corporation. A suit to question the validity of the bonds issued or to prevent their issuance may not be instituted after the date set for sale of the bonds, and after that date the bonds may not be contested for any cause.

(i) The bonds issued under this section and the interest on them are exempt from taxation for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

SECTION 190. IC 36-9-4-45, AS AMENDED BY P.L.146-2008, SECTION 787, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 45. (a) Bonds issued under this chapter:

(1) shall be issued in the denomination;

(2) are payable over a period not to exceed thirty (30) years from the date of the bonds; and

(3) mature;

as determined by the ordinance authorizing the bond issue.

(b) All bonds issued under this chapter, the interest on them, and the income from them are exempt from taxation to the extent provided by IC 6-8-5-1.

(c) The provisions of IC 6-1.1-20 relating to:

(1) filing petitions requesting the issuance of bonds and giving notice of those petitions;

(2) giving notice of a hearing on the appropriation of the proceeds of the bonds;

(3) the right of taxpayers to appear and be heard on the proposed appropriation;

~~(4) the approval of the appropriation by the department of local government finance;~~ and

~~(5)~~ **(4)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

apply to the issuance of bonds under this chapter.

(d) A suit to question the validity of bonds issued under this chapter or to prevent their issue and sale may not be instituted after the date set for the sale of the bonds, and the bonds are incontestable after that date.

SECTION 191. IC 36-9-4-47, AS AMENDED BY P.L.146-2008, SECTION 788, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 47. (a) The board of directors of a public transportation corporation may:

(1) borrow money in anticipation of receipt of the proceeds of taxes that have been levied by the board and have not yet been collected; and

(2) evidence this borrowing by issuing warrants of the corporation.

The money that is borrowed may be used by the corporation for payment of principal and interest on its bonds or for payment of current operating expenses.

(b) The warrants:

(1) bear the date or dates;

(2) mature at the time or times on or before December 31 following the year in which the taxes in anticipation of which the warrants are issued are due and payable;

(3) bear interest at the rate or rates and are payable at the time or times;

(4) may be in the denominations;

(5) may be in the forms, either registered or payable to bearer;

(6) are payable at the place or places, either inside or outside Indiana;

(7) are payable in the medium of payment;

(8) are subject to redemption upon the terms, including a price not exceeding par and accrued interest; and

(9) may be executed by the officers of the corporation in the manner;

provided by resolution of the board of directors. The resolution may also authorize the board to pay from the proceeds of the warrants all costs incurred in connection with the issuance of the warrants.

(c) The warrants may be authorized and issued at any time after the board of directors levies the tax or taxes in anticipation of which the warrants are issued.

(d) The warrants may be sold for not less than par value after notice inviting bids has been published in accordance with IC 5-3-1. The board of directors may also publish the notice inviting bids in other newspapers or financial journals.

(e) After the warrants are sold, they may be delivered and paid for at one (1) time or in installments.

(f) The aggregate principal amount of warrants issued in anticipation of and payable from the same tax levy or levies may not exceed eighty percent (80%) of the levy or levies, as the amount of the levy or levies is certified by the department of local government finance, or as is determined by multiplying the rate of tax as finally approved by the total assessed valuation of taxable property within the taxing district of the public transportation corporation as most recently certified by the county auditor.

(g) For purposes of this section, taxes for any year are considered to be levied when the board of directors adopts the ordinance prescribing the tax levies for the year. ~~However, warrants may not be delivered and paid for before final approval of a tax levy or levies by the county board of tax adjustment (or, if appealed, by the department of local government finance) unless the issuance of the warrants has been approved by the department of local government finance.~~

(h) The warrants and the interest on them are not subject to sections 43 and 44 of this chapter and are payable solely from the proceeds of the tax levy or levies in anticipation of which the warrants were issued. The authorizing resolution must pledge a sufficient amount of the proceeds of the tax levy or levies to the payment of the warrants and the interest.

(i) All actions of the board of directors under this section may be taken by resolution, which need not be published or posted. The resolution takes effect immediately upon its adoption by a majority of the members of the board of directors.

(j) An action to contest the validity of any tax anticipation warrants may not be brought later than ten (10) days after the sale date.

SECTION 192. IC 36-9-4-48 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 48. (a) A cumulative transportation fund to provide money for the acquisition of buses and for the planning, establishment, and maintenance of routes and schedules to assist in implementing this chapter may be established under IC 6-1.1-41 by:

(1) the legislative body of a municipality that:

(A) is making grants to an urban mass transportation

system; or

(B) has purchased buses for operation under lease by an urban mass transportation system; or

(2) the board of directors of a public transportation corporation.

(b) In addition to other notices required under IC 6-1.1-41, notices of hearings under IC 6-1.1-41 must be given to the following:

(1) the municipal executive, for a tax levy by a municipality; and

(2) the chairman of the board of directors, for a tax levy by a public transportation corporation.

(c) A tax levy to finance the cumulative transportation fund may be levied in compliance with IC 6-1.1-41. The tax levied under this section may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of taxable property within the corporate boundaries of the municipality or the taxing district of the public transportation corporation, as the case may be.

SECTION 193. IC 36-9-6.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) The fiscal body of a unit that has adopted a thoroughfare plan under IC 36-7-4 may levy a tax ~~of~~ **not to exceed the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five cents ($0.05) on each one hundred dollars ($100) of taxable property in the unit.

The tax may be levied annually, in the same way that other property taxes are levied.

(b) The taxes levied under this section shall be collected in the same manner as other property taxes and deposited in a separate and continuing fund to be known as the thoroughfare fund. The fiscal officer of the unit may make payments or transfers from this fund only on warrants of the works board for work related to the thoroughfare plan.

SECTION 194. IC 36-9-13-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 28. (a) If the terms and conditions of a proposed lease are approved under section 27 of this chapter, notice of the approval of the lease shall be given on behalf of the eligible entity by publication in accordance with IC 5-3-1. ~~Ten (10) or more taxpayers in the eligible entity:~~

~~(1) whose tax rate will be affected by the proposed lease, and~~

~~(2) who are of the opinion that there is no necessity for the lease, or that the method of determining the lease rental is not fair and reasonable,~~

~~may file a petition in the office of the county auditor within thirty (30) days after publication of notice of the approval of the lease. The petition must set forth their objections to the lease and facts showing that the lease is unnecessary or unwise, or that the method of determining the lease rental is not fair and reasonable.~~

~~(b) Upon the filing of a petition under subsection (a), the county auditor shall immediately certify a copy of it, together with any other data necessary to present the questions involved, to the department of local government finance. Not less than five (5) nor more than fifteen (15) days after receipt of the certified petition and data, the department of local government finance shall fix a time and place in the county for the hearing of the matter. The department of local government finance shall give notice of the hearing to the eligible entity and to the first ten (10) petitioners on the petition by registered mail, at least five (5) days before the date of the hearing.~~

~~(c) The decision of the department of local government finance on a petition under this section is final.~~

~~(d)~~ **(b)** An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be instituted within thirty (30) days after publication of notice of the approval of the lease. ~~or if an appeal has been taken to the department of local government finance, within thirty (30) days after the decision of the department.~~

SECTION 195. IC 36-9-14-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. The county fiscal body may provide money for the cumulative building fund by levying a tax in compliance with IC 6-1.1-41 ~~of not more than~~ **not to exceed the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of sixteen and sixty-seven hundredths cents ($0.1667) on each one hundred dollars ($100) of taxable property in the county.

SECTION 196. IC 36-9-14.5-6, AS AMENDED BY P.L.146-2008, SECTION 791, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) Except as provided in subsection (c), the county fiscal body may provide

money for the cumulative capital development fund by levying a tax in compliance with IC 6-1.1-41 on the taxable property in the county.

(b) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a county in which the county option income tax or the county adjusted gross income tax is in effect on January 1 of that year, depends upon the number of years the county has previously imposed a tax under this chapter and ~~is determined under~~ **may not exceed** the following: ~~table:~~

~~NUMBER OF YEARS~~	~~TAX RATE PER $100 OF ASSESSED VALUATION~~
~~0~~	~~$0.0167~~
~~1 or more~~	~~$0.0333~~

(1) In the first year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable property in the county.

(2) In the second year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property in the county.

(3) In each year after the second year in which the tax is imposed under this subsection, the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

(c) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a county in which neither the county option income tax nor the county adjusted gross income tax is in effect on January 1 of that year, depends upon the number of years the county has previously imposed a tax under this chapter and ~~is determined under~~ **may not exceed** the following: ~~table:~~

~~NUMBER OF YEARS~~	~~TAX RATE PER $100 OF ASSESSED VALUATION~~
~~0~~	~~$0.0133~~
~~1 or more~~	~~$0.0233~~

(1) In the first year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and thirty-three hundredths cents ($0.0133) on each one hundred dollars ($100) of taxable property in the taxing unit.

(2) In the second year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of two and thirty-three hundredths cents ($0.0233) on each one hundred dollars ($100) of taxable property in the taxing unit.

(3) In each year after the second year in which the tax is imposed under this subsection, the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

SECTION 197. IC 36-9-15-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) A county fiscal body may establish cumulative building funds under IC 6-1.1-41 or sinking funds in the same manner as cumulative funds are established under IC 6-1.1-41 for the:

(1) construction, repair, remodeling, enlarging, and equipment of:

(A) a county jail; or

(B) a juvenile detention center to be operated under IC 31-31-9; or

(2) in a county having a consolidated city, purchase, lease, or payment of all or part of the purchase price of motor vehicles for use of the sheriff's department.

(b) The county fiscal body may levy taxes to provide money for:

(1) cumulative building funds established under this chapter in compliance with IC 6-1.1-41; or

(2) sinking funds established under this chapter in the same manner a tax is levied for a cumulative fund under IC 6-1.1-41.

(c) In each year after the first year in which a cumulative building fund or sinking fund levy is established under this chapter, the levy is the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

~~(c)~~ **(d)** IC 6-1.1-41 applies to a sinking fund under this chapter to the same extent as if the sinking fund was a cumulative fund.

SECTION 198. IC 36-9-15.5-6, AS AMENDED BY P.L.146-2008, SECTION 792, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) Except as provided in subsection (c), the municipal fiscal body may provide money for the cumulative capital development fund by levying a tax in compliance with IC 6-1.1-41 on the taxable property in the municipality.

(b) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a municipality that is either wholly or partially located in a county in which the county option income tax or the county adjusted gross income tax is in effect on January 1 of that year depends upon the number of years the municipality has ~~previously~~ imposed a tax under this chapter and ~~is determined under~~ **may**

not exceed the following: ~~table:~~

~~NUMBER OF YEARS~~	~~TAX RATE PER $100 OF ASSESSED VALUATION~~
~~0~~	~~$0.0167~~
~~1~~	~~$0.0333~~
~~2 or more~~	~~$0.05~~

(1) In the first year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable property in the taxing unit.

(2) In the second year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property in the taxing unit.

(3) In the third year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five cents ($0.05) on each one hundred dollars ($100) of taxable property in the taxing unit.

(4) In each year after the third year in which the tax is imposed under this subsection, the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

(c) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a municipality that is wholly located in a county in which neither the county option income tax nor the county adjusted gross income tax is in effect on January 1 of that year depends upon the number of years the municipality has previously imposed a tax under this chapter and ~~is determined under~~ **may not exceed** the following: ~~table:~~

~~NUMBER OF YEARS~~	~~TAX RATE PER $100 OF ASSESSED VALUATION~~
~~0~~	~~$0.0133~~
~~1~~	~~$0.0267~~
~~2 or more~~	~~$0.04~~

(1) In the first year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and thirty-three hundredths cents ($0.0133) on each one hundred dollars ($100) of taxable property in the taxing unit.

(2) In the second year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of two and sixty-seven hundredths cents ($0.0267) on each one hundred dollars ($100) of taxable property in the taxing unit.

(3) In the third year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of four cents ($0.04) on each one hundred dollars ($100) of taxable property in the taxing unit.

(4) In each year after the third year in which the tax is imposed under this subsection, the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

SECTION 199. IC 36-9-16-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) The unit's fiscal body may levy a tax not to exceed thirty-three cents ($0.33) on each one hundred dollars ($100) of taxable property within the taxing district to provide for a cumulative building fund. The tax may be levied annually for any period not to exceed ten (10) years.

(b) Appropriations may be made from the cumulative building fund for the purposes authorized by this chapter.

SECTION 200. IC 36-9-16-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) The unit's fiscal body may levy a tax not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property

tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of thirty-three cents ($0.33) on each one hundred dollars ($100) of taxable property within the taxing district to provide for a cumulative capital improvement fund.

The tax may be levied annually for any period not to exceed ten (10) years and may be decreased or increased from year to year, except that the tax may not be increased above the levy approved by the department of local government finance.

(b) Surplus money in other accounts of the unit, or other sources, and money acquired from other activities of the unit, or other sources, may, by resolution of the legislative body and with the approval of the department of local government finance, be added to the cumulative capital improvement fund.

(c) Appropriations may be made:

(1) as provided by law from the cumulative capital improvement fund for purposes of this chapter; or

(2) for a contribution to an authority established under IC 36-7-23.

SECTION 201. IC 36-9-16.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) A municipality may establish a cumulative street fund to provide money for:

(1) the acquisition of rights-of-way for public ways or sidewalks; or

(2) the construction or reconstruction of public ways or sidewalks.

(b) A cumulative street fund may be established by a municipal legislative body through the adoption of a resolution.

(c) In each year after the first year in which a cumulative street fund levy is established under this chapter, the levy is the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

SECTION 202. IC 36-9-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) Subject to tax limitations and to the review of appropriations and tax levies, the legislative body of a municipality that establishes a general improvement fund may appropriate money from the general fund of the municipality and transfer that money to the general improvement fund, levy a tax for the benefit and use of the general improvement fund in compliance with the procedures for a levy for a cumulative fund under IC 6-1.1-41, or both.

(b) During the year in which a municipality establishes a general improvement fund, the municipal legislative body may make an emergency appropriation from the general fund of the municipality and transfer that appropriation to the general improvement fund in the manner prescribed by statute for the making of emergency appropriations.

(c) Any sum may be appropriated or levied under this section in any one (1) year, but the aggregate sum that may be appropriated and levied under this section, including emergency appropriations under subsection (b), may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of the equivalent of sixteen and sixty-seven hundredths cents ($0.1667) on each one hundred dollars ($100) net taxable valuation of property in the municipality.

SECTION 203. IC 36-9-17.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) To provide for the cumulative township vehicle and building fund authorized under this chapter, the legislative body of a township may levy a tax on all taxable property within the township in compliance with IC 6-1.1-41. The tax rate may not exceed ~~five cents ($0.05) on each one hundred dollars ($100) of assessed valuation of property in the township for property taxes first due and payable before January 1, 2002, or~~ **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed valuation of property in the township for property taxes first due and payable. ~~after December 31, 2001.~~

(b) As the tax is collected, it shall be deposited in a qualified public depository or depositories and held in a special fund known as the cumulative township vehicle and building fund.

SECTION 204. IC 36-9-26-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. A municipality that has established a cumulative building and sinking fund may levy a tax in compliance with IC 6-1.1-41 not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the

department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one dollar ($1) on each one hundred dollars ($100) of taxable property in the municipality.

SECTION 205. IC 36-9-27-73 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 73. (a) There is established in each county a general drain improvement fund, which shall be used to pay the cost of:

(1) constructing or reconstructing a regulated drain under this chapter; and

(2) removing obstructions from drains under IC 36-9-27.4.

In addition, if a maintenance fund has not been established for a drain, or if a maintenance fund has been established and it is insufficient, the general drain improvement fund shall be used to pay the deficiency.

(b) The general drain improvement fund consists of:

(1) all money in any ditch or drainage fund that was not otherwise allocated by January 1, 1966, which money the county treasurer shall transfer to the general drain improvement fund by January 1, 1985;

(2) proceeds from the sale of bonds issued to pay the costs of constructing or reconstructing a drain;

(3) costs collected from petitioners in a drainage proceeding;

(4) appropriations made from the general fund of the county, or taxes levied by the county fiscal body for drainage purposes;

(5) money received from assessments upon land benefited for construction or reconstruction of a regulated drain;

(6) interest and penalties received on collection of delinquent drain assessments and interest received for deferred payment of drain assessments;

(7) money repaid to the general drain improvement fund out of a maintenance fund; and

(8) money received from loans under section 97.5 of this chapter.

(c) The county fiscal body, at the request of the board and on estimates prepared by the board, shall from time to time appropriate enough money for transfer to the general drain improvement fund to maintain the fund at a level sufficient to meet the costs and expenditures to be charged against it, after allowing credit to the fund for assessments paid into it.

(d) There is no limit to the amount that the county fiscal body may appropriate and levy for the use of the general drain improvement fund in any one (1) year. However, the aggregate amount appropriated and levied for the use of the fund may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of the equivalent of fifty cents ($.50) on each one hundred dollars ($100) of net taxable valuation on the real and personal property in the county.

(e) Whenever:

(1) the board finds that the amount of money in the general drain improvement fund exceeds the amount necessary to meet the expenses likely to be paid from the fund; and

(2) the money was raised by taxation under this section;

the board shall issue an order specifying the excess amount and directing that it shall be transferred to the general fund of the county. The board shall serve the order on the county auditor, who shall transfer the excess amount to the general fund of the county.

SECTION 206. IC 36-9-27-100 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 100. **(a)** To provide money for a cumulative drainage fund established under section 99 of this chapter, the fiscal body may levy a tax in compliance with IC 6-1.1-41 not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five cents ($0.05) on each one hundred dollars ($100) of assessed valuation of all taxable personal and real property **in the area described in subsection (b).**

(b) The tax described in subsection (a) may be imposed:

(1) within the corporate boundaries, in the case of a municipality; or

(2) within the county but outside the corporate boundaries of all municipalities, in the case of a county.

SECTION 207. IC 36-9-29-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 31. (a) The flood control board may levy a special benefit tax each year for the purpose of providing for the cost of operation, maintenance, and repair of the flood control works after the completion of the works, including the general expenses of the board, such as salary and wages, that the board finds are not properly chargeable to the proceeds of bonds issued under this chapter. The tax may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the

levy that would be raised by imposing a property tax rate of eleven and sixty-seven hundredths cents ($0.1167) on each hundred dollars ($100) of taxable property in the district, as it appears on the tax duplicates.

(b) The property within the flood control district is conclusively presumed to be benefited to the extent of the annual tax by the maintenance of the district and the maintenance, operation, and repair of the flood control works.

(c) The county auditor shall estimate the tax and enter it upon the tax duplicates, and the county treasurer shall collect and enforce the tax in the same manner as state and county taxes are estimated, entered, collected, and enforced.

(d) The county treasurer charged with the duty of collecting the taxes shall, between the first and tenth days of each month, notify the flood control board of the amount of the tax collected during the preceding month. Upon the date of notification, the treasurer shall credit the amount collected to a fund designated as "_____ flood control district maintenance fund", which may be used only for the purposes stated in this section.

(e) The flood control board has complete and exclusive authority to expend, on behalf of the flood control district, all revenues realized under this section.

(f) The flood control board may, by resolution, authorize and make temporary loans in anticipation of the collection of the special benefit taxes actually levied and in course of collection under this section. The loans mature and shall be paid within the year in which they are made, and may bear interest at any rate payable at the maturity of the loan. The temporary loans shall be evidenced by warrants, and, if the amount of warrants to be issued exceeds five thousand dollars ($5,000), they shall be sold at public sale in the same manner as the bonds of the district.

SECTION 208. IC 36-9-29.1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 15. (a) For the purpose of:

(1) providing for the payment of all general expenses of the board, including salaries of officers and employees and other items of expense not properly chargeable into the cost of any property acquired or work done under any resolution of the board for which flood control district bonds are issued; and

(2) providing for the operation, maintenance, and repair of any levees, dikes, retaining walls, reservoirs, drains, and other works and improvements in or along any watercourse designed to prevent damage and injury through floods, and other permanent works constructed, including the repair and maintenance of equipment or the performance of any duty imposed by this chapter;

a tax of not exceeding **the maximum levy specified in subsection (b).**

(b) The levy under subsection (a) may not exceed the following:

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and thirty-three hundredths cents ($0.0133) on each one hundred dollars ($100) of taxable property in the district as it appears on the tax duplicates, in addition to all other taxes, shall be levied annually by the city-county legislative body for flood control purposes.

The county auditor shall estimate the taxes and enter them upon the tax duplicate, and the county treasurer shall collect and enforce the taxes, in the same manner as state and county taxes are estimated, entered, collected, and enforced.

~~(b)~~ **(c)** The county treasurer shall, between the first and tenth days of each month, notify the board of the amount of such taxes collected for flood control purposes during the preceding month, and upon the date of notification the county treasurer shall credit an account to be known as the "flood control maintenance and general expense fund" with such amount of taxes for flood control purposes as may have been collected at that time. The fund shall be used and expended only for the purposes prescribed by this chapter. The board may expend on behalf of the district all sums of money thus realized. Warrants for these expenditures shall be drawn by the fiscal officer of the consolidated city upon the vouchers of the board.

~~(c)~~ **(d)** The board may by resolution authorize and make temporary loans in anticipation of revenues actually levied under this section, which loans mature and shall be paid within one (1) year from the date of the making of the loan, with interest payable at the maturity of the loan. The warrants or other evidence of these loans shall be sold for not less than par, and before the making of the loan, notice of the time, place, amount, and terms of making of the loan shall be given by publication in accordance with IC 5-3-1. The warrants import no personal obligation for their payment and are payable only out of the tax so levied.

~~(d)~~ **(e)** All money remaining in any of the funds to the credit of the board at the end of the calendar year continues to belong to these funds respectively, to be used by the board for the respective purposes for which the funds are created. All funds raised under this section shall be deposited at interest with the depository or depositories of other public funds of the consolidated city, and all interest collected on them belongs to them.

~~(e)~~ **(f)** In the event that the revenues in the "flood control maintenance and general expense fund" of the district are at any time insufficient, the consolidated city may appropriate money out of its general fund for the use and benefit of the district, which amount so appropriated and used shall be returned and repaid to the city out of the first available funds by the board.

SECTION 209. IC 36-9-30-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 27. In anticipation of the acquisition of a site and the construction and erection of solid waste disposal facilities, including the necessary equipment and appurtenances, a unit may enter into a lease with option to purchase with a lessor corporation. ~~subject to the approval of the department of local government finance.~~ Such a lease may not provide for the payment of any lease rental by the lessee until the facilities are completed and ready for solid waste disposal. The lessor corporation shall agree in the lease to furnish a bond satisfactory to the lessee and conditioned upon final completion of the facilities within the period specified in the lease, except for unavoidable delays.

SECTION 210. IC 36-9-31-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3. In order to provide for the collection and disposal of waste in the consolidated city and for the management, operation, acquisition, and financing of facilities for waste disposal, the board may exercise the following powers on behalf of the city, in addition to the powers specifically set forth elsewhere in this chapter:

(1) To sue and be sued.
(2) To exercise the power of eminent domain as provided in IC 32-24 within the corporate boundaries of the city; however, the power of eminent domain may not be exercised to acquire the property of any public utility used for the production or distribution of energy.
(3) To provide for the collection of waste accumulated within the service district and to provide for disposal of waste accumulated within the waste disposal district, including contracting with persons for collection, disposal, or waste storage, and the recovery of byproducts from waste, and granting these persons the right to collect and dispose of any such wastes and store and recover byproducts from them.
(4) To plan, design, construct, finance, manage, own, lease, operate, and maintain facilities for waste disposal.
(5) To enter into all contracts or agreements necessary or incidental to the collection, disposal, or recovery of byproducts from waste, such as put or pay contracts, contracts and agreements for the design, construction, operation, financing, ownership, or maintenance of facilities or the processing or disposal of waste or the sale or other disposition of any products generated by a facility. Notwithstanding any other statute, any such contract or agreement may be for a period not to exceed forty (40) years.
(6) To enter into agreements for the leasing of facilities in accordance with IC 36-1-10. ~~however, any such agreement having an original term of five (5) or more years is subject to approval by the department of local government finance under IC 6-3.5. Such an agreement may be executed before approval, but if the department of local government finance does not approve the agreement, it is void.~~
(7) To purchase, lease, or otherwise acquire real or personal property.
(8) To contract for architectural, engineering, legal, or other professional services.
(9) To exclusively control, within the city, the collection, transportation, storage, and disposal of waste and, subject to the provisions of sections 6 and 8 of this chapter, to fix fees in connection with these matters.
(10) To determine exclusively the location and character of any facility, subject to local zoning ordinances and environmental management laws (as defined in IC 13-11-2-71).
(11) To sell or lease to any person any facility or part of it.
(12) To make and contract for plans, surveys, studies, and investigations.
(13) To enter upon property to make surveys, soundings, borings, and examinations.
(14) To accept gifts, grants, or loans of money, other property, or services from any source, public or private, and to comply with their terms.
(15) To issue from time to time waste disposal district bonds to finance the cost of facilities as provided in section 9 of this chapter.
(16) To issue from time to time revenue bonds to finance the cost of facilities as provided in section 10 of this chapter.
(17) To issue from time to time waste disposal development bonds to finance the cost of facilities as provided in section 11 of this chapter.
(18) To issue from time to time notes in anticipation of grants or in anticipation of the issuance of bonds to finance the cost of facilities as provided in section 13 of this chapter.
(19) To establish fees for the collection and disposal of waste, subject to the provisions of sections 6 and 8 of this chapter.
(20) To levy a tax within the service district to pay costs of operation in connection with waste collection, waste disposal, mowing services, and animal control, subject to regular budget and tax levy procedures. For purposes of this subdivision, "mowing services" refers only to mowing services for rights-of-way or on vacant property.
(21) To levy a tax within the waste disposal district to pay costs of operation in connection with waste disposal, subject to regular budget and tax levy procedures.
(22) To borrow in anticipation of taxes.
(23) To employ staff engineers, clerks, secretaries, and other employees in accordance with an approved budget.
(24) To issue requests for proposals and requests for qualifications as provided in section 4 of this chapter.
(25) To require all persons located within the service district or waste disposal district to deposit waste at sites designated by the board.
(26) To otherwise do all things necessary for the collection and disposal of waste and the recovery of byproducts from it.

SECTION 211. IC 36-9-31-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. (a) Any put or pay contract may provide for payments to be made by the consolidated city under the contract from:
(1) the levy of taxes;
(2) revenues;
(3) any other available funds of the consolidated city; or
(4) any combination of the foregoing.

(b) A put or pay contract may further provide that payments by the consolidated city to the other person to the contract are required only to the extent and only for the period or periods that person is able to accept and dispose of waste in accordance with the contract had such waste been delivered to the person.

(c) A put or pay contract may be entered into by the consolidated city extending for a period of five (5) years or more only after a public hearing by the board, at which all interested persons shall be heard. After the public hearing, the board may adopt a resolution authorizing the execution of the contract on behalf of the city if it finds that the estimated amount of waste to be provided throughout the term of the contract will not be less than the specified amount of waste required to be provided by the contract.

(d) A put or pay contract providing for payments by the consolidated city in whole or in part from the levy of taxes is not valid unless approved by ordinance of the city-county legislative body. Upon execution of such a contract and approval by the legislative body, the board shall cause notice of the execution of the contract and its approval to be given by public notice. ~~Fifty (50) or more taxpayers residing in the city who will be affected by the contract and who may be of the opinion that no necessity exists for the execution of the contract or that the payments provided for in the contract are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval, setting forth their names, addresses, and objections to the contract and the facts showing that the execution of the contract is unnecessary or unwise or that the payments provided for in the contract are not fair and reasonable, as the case may be. Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with such other data as may be necessary in order to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for the hearing of the matter, which must be not less than five (5) nor more than thirty (30) days thereafter in the city. Notice of the hearing shall be given by the department of local government finance to the members of the board and to the first fifty (50)~~

~~taxpayer-petitioners upon the petition by a letter signed by the commissioner or deputy commissioner of the department of local government finance and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal, upon the necessity for the execution of the contract, and as to whether the payments under it are fair and reasonable, is final.~~

(e) An action to contest the validity of the contract or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of notice of the execution and approval of the contract. ~~or if an appeal has been taken to the department of local government finance, then within thirty (30) days after the decision of the department.~~

(f) After the consolidated city has entered into a put or pay contract under this section, the city-county legislative body shall annually levy a tax sufficient to produce each year the necessary amount, with other amounts available, if any, that is sufficient to pay the amounts that the contract provides are to be paid from the levy of taxes. The tax levies provided for in this chapter are reviewable by other bodies vested by law with authority to ascertain that the levies are sufficient to raise the amount that, with other amounts available, is sufficient to meet the payments under the contract payable from the levy of taxes.

SECTION 212. IC 36-9-36-64 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 64. (a) For the purpose of raising money for the payment of certificates of indebtedness issued under section 62 of this chapter (or under IC 36-9-18 before its repeal in 1993) the fiscal body of the unit may do any of the following:

(1) Levy a special tax on all property in the unit each year.

(2) Issue and sell the bonds of the unit.

(3) Appropriate money from the general fund of the unit or from any other source.

(b) A special tax levied under this section shall be ~~fixed at a rate on each one hundred dollars ($100) of assessed valuation of~~ **levied on the** taxable property in the unit **in an amount** sufficient for the payment of the certificates, together with interest, that were or will be issued between July 1 of the preceding year and July 1 of the year in which the levy of taxes is made.

(c) A special tax levied under this section shall be:

(1) levied, certified to the county auditor, and collected in the same manner as other taxes are levied, certified, and collected; and

(2) deposited in a separate fund known as the county (or municipal) improvement certificate fund for application to the payment of the certificates.

(d) The balance of the improvement certificate fund does not revert to the unit's general fund at the end of the unit's fiscal year, but remains in the fund for the next fiscal year.

SECTION 213. IC 36-10-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 21. (a) The board may establish a cumulative building fund under IC 6-1.1-41 to provide money for:

(1) building, remodeling, and repair of park and recreation facilities; or

(2) purchase of land for park and recreation purposes.

In addition to the requirements of IC 6-1.1-41, before a fund may be established, the proposed action must be approved by the fiscal body of the unit.

(b) To provide for the cumulative building fund, the unit's fiscal body may levy a tax in compliance with IC 6-1.1-41 not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed valuation of taxable property within the unit.

(c) The tax shall be collected and held in a special fund known as the unit's park and recreation cumulative building fund.

SECTION 214. IC 36-10-3-24, AS AMENDED BY P.L.146-2008, SECTION 793, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 24. (a) In order to raise money to pay for land to be acquired for any of the purposes named in this chapter, to pay for an improvement authorized by this chapter, or both, and in anticipation of the special benefit tax to be levied as provided in this chapter, the board shall cause to be issued, in the name of the unit, the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the board under section 23 of this chapter is confirmed whereby different parcels of land are to be acquired, or more than one (1) contract for work is let by the board at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars ($1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the board shall certify a copy of the resolution to the unit's fiscal officer. The fiscal officer shall prepare the bonds, and the unit's executive shall execute them, attested by the fiscal officer.

(c) The bonds and the interest on them are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

~~(1) the filing of a petition requesting the issuance of bonds,~~

~~(2)~~ **(1)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

~~(3)~~ **(2)** the appropriation of the proceeds of the bonds; ~~and approval by the department of local government finance;~~ and

~~(4)~~ **(3)** the sale of bonds at public sale for not less than their

par value.

(d) The board may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the unit, but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. The bonds must recite the terms upon their face, together with the purposes for which they are issued.

SECTION 215. IC 36-10-4-36 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 36. (a) To raise money for any of the purposes for which bonds may be issued under section 35 of this chapter, the board may request that the city legislative body adopt an ordinance establishing a cumulative building and sinking fund. The legislative body may establish a cumulative building and sinking fund under IC 6-1.1-41. The tax may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable personal and real property in the district.

(b) The tax, when collected, shall be held in a public depository in a special fund to be known as the park district cumulative building and sinking fund.

SECTION 216. IC 36-10-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) This section applies to all counties.

(b) As used in this section, "board" refers to an area park board established under this chapter.

(c) As used in this section, "district" refers to an area park district established under this chapter.

(d) Two (2) or more counties may establish an area park district for the purposes of establishing, owning, maintaining, and controlling one (1) or more public parks for the use and benefit of the residents of those counties. To establish a district, the legislative body of each county desiring to join shall adopt substantially identical ordinances indicating this intention. Before the ordinances take effect, they must be published in their respective counties in accordance with IC 5-3-1. Within ten (10) days after the publication of the ordinance, the auditor of each county shall file a certified copy of the ordinance with the auditor of each of the other counties involved. When the ordinances have been adopted and filed by all the counties joining, the district is considered established. All of the territory of the counties joining comprises the district.

(e) Within ten (10) days after the publication of the ordinance, any registered voter may notify the legislative body of his intent to file a remonstrance petition. Within sixty (60) days after this notice, petitions for and against the county's joining in the proposed district may be filed with the legislative body. The petitions must be signed and acknowledged by registered voters of the county. The petition that contains the greater number of signatures prevails.

(f) Within thirty (30) days after the establishment of the district, the legislative body of each county joining shall appoint members to the area park board. Each county may appoint one (1) member to the board. In addition, each county may appoint an additional member for each fifty thousand (50,000) residents or fraction thereof of that county's population. Each member must be a resident of the county from which he is appointed, and at least one (1) member from each county must be an elected official of that county. Members serve for terms of four (4) years and may be reappointed. Vacancies shall be filled by the appointing authority for the unexpired term of the vacating member.

(g) The board shall meet within thirty (30) days after the appointment of all members. Notice of the meeting shall be given by the auditor of the county that passed the first ordinance to establish the district. At the meeting the board shall elect one (1) of its members chairman and one (1) secretary and shall adopt rules of order that it considers necessary. The board shall then meet at times and places that it determines. Members serve on the board without compensation. However, all members except the elected official members are entitled to receive a per diem and mileage for time spent in the performance of their duties.

(h) Except as provided in subsection (i), the board has all of the powers of a board under IC 36-10-3 except the power of eminent domain.

(i) The board may levy a tax for the establishment, purchase, maintenance, and control of the parks established and controlled by the board, but the tax may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) for each one hundred dollars ($100) of assessed valuation of property in the district.

When the board determines the rate of the levy, the board shall certify it to each county auditor. The levy shall then be placed upon the tax duplicate of each county in the district, and the tax shall be collected in the same manner as other taxes are collected. All money received for the district shall be paid into the treasury of the county with the greatest population. The money shall be deposited and kept as other public funds are deposited and kept, and interest earned on the money shall be credited to the area park fund. Money may be paid out by the treasurer only upon the written order of the board.

(j) A county may withdraw from a district only upon a two-thirds (2/3) vote of its legislative body. If a county decides to withdraw from a district, the date of withdrawal must be

effective on January 1 of a year at least one (1) year after the date upon which the county voted to withdraw.

SECTION 217. IC 36-10-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) This section applies to all townships having a population between two thousand (2,000) and three thousand (3,000).

(b) The township executive may accept, acquire, and maintain grounds and structures to be used as public parks upon petition of at least fifty-one percent (51%) of the resident taxpayers of the township.

(c) Whenever a park has been established in the township, the legislative body shall, at its annual meeting and annually each following year, levy a tax not exceeding **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable property in the township.

The money shall be set aside in a public park fund to be used by the executive for the maintenance and improvement of the park and for no other purpose.

SECTION 218. IC 36-10-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. (a) This section applies to all townships having a population of less than two thousand (2,000).

(b) The township executive may lease, purchase, accept by grant, devise, bequest, or other conveyance to the township, or otherwise acquire land for park purposes and may make necessary improvements only as provided by this section.

(c) The legislative body may establish a township park and may, by resolution, appropriate from the general fund of the township the necessary money to lease, purchase, accept, or otherwise acquire land for park purposes or make improvements thereon. The executive shall then lease, purchase, accept, or acquire the land for park purposes or shall make improvements thereon as directed in the resolution. However, the costs of the park grounds or of the improvements provided for in the resolution may not exceed in one (1) year one-fifth of one percent (0.2%) of the adjusted value of all taxable property of the township as determined under IC 36-1-15.

(d) If a park has been established under this section, the executive shall have the park maintained and may make improvements and construct and maintain facilities for the comfort and convenience of the public. However, the executive annually may not spend more than **the following:**

(1) The amount appropriated for the park from the township general fund in the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the township appropriated money for the park in the immediately preceding year.

(2) The amount appropriated for the park for the ensuing calendar year, as determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the township did not appropriate an amount for the park in the immediately preceding year. The township may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one cent ($0.01) on each one hundred dollars ($100) of assessed valuation of taxable property in the township as it appears on the tax duplicates of the auditor of the county in which the township is located.

The money shall be paid from the general fund of the township.

(e) If the general fund of the township is insufficient to meet the expenses of acquiring or improving the land for park purposes, the executive shall call a special meeting of the legislative body by written notice to each member of the legislative body at least three (3) days before the date of the meeting. The notice must state the time, place, and purpose of the meeting. The legislative body shall meet and determine whether an emergency exists for the issuance of the warrants or bonds of the township. The legislative body shall, by resolution, authorize the issuance and sale of the warrants or bonds of the township in an amount not exceeding two percent (2%) of the adjusted value of all taxable property in the township as determined under IC 36-1-15. The amount of bonds may not exceed the total estimated cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings. The proceeds from the sale of the bonds shall be deposited in the general fund of the township. The bonds become due and payable not less than two (2) nor more than ten (10) years after the date of issuance, may bear interest at any rate, and may not be sold for less than par value. The bonds shall be sold after giving notice of the sale of bonds in accordance with IC 5-3-1. The bonds and the interest thereon are exempt from taxation as provided by IC 6-8-5 and are subject to the provisions of IC 6-1.1-20. ~~relating to the filing of a petition requesting the issuance of bonds, the appropriation of the proceeds of the bonds, and the approval by the department of local government finance.~~

(f) The legislative body shall, at its next annual meeting after authorization of bonds and annually each following year, levy a sufficient tax against all the taxable property of the township to pay the principal of the bonds, together with accruing interest, as they become due. The executive shall apply the money received from the levy only to the payment of bonds and interest as they become due.

(g) In addition to the levy required by subsection (f), the legislative body shall, when a park has been established under this section and at every annual meeting after establishment, levy a tax not exceeding **the following:**

(1) The part of the general fund levy imposed for the park in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the township levied a property tax for the park in the immediately preceding year.

(2) The part of the general fund levy imposed by the township for the park for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the township did not levy a property tax for the fund in the immediately preceding year.

However, the township may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the amount that would be raised by imposing a property tax rate of one cent ($0.01) on each one hundred dollars ($100) of taxable property in the township.

(h) The levy required by ~~this~~ subsection **(g)** shall be used by the executive for the maintenance and improvement of the park. The executive may not expend more for maintenance and improvement of the park than the amount collected by the levy except:

(1) upon petition by fifty-one percent (51%) of the taxpayers of the township; or

(2) when warrants or bonds are to be issued under this section to finance the expenses of improvements.

The amount received from the levy shall be deposited in the general fund of the township.

~~(h)~~ **(i)** A park established under this section shall be kept open to the public in accordance with rules prescribed by the executive.

~~(i)~~ **(j)** If the executive determines that land or other property used for park purposes under this section should be disposed of and that the park should no longer be maintained, the executive shall appoint three (3) disinterested appraisers to appraise the property. The property shall then be disposed of either at public or private sale for at least its appraised value.

~~(j)~~ **(k)** This subsection applies if the township sells the property by acceptance of bids. A bid submitted by a trust (as defined in IC 30-4-1-1(a)) must identify each:

(1) beneficiary of the trust; and

(2) settlor empowered to revoke or modify the trust.

~~(k)~~ **(l)** All money from the sale of park property, less the expenses incurred in making the appraisal and sale, shall be paid into the general fund of the township.

SECTION 219. IC 36-10-7.5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 19. (a) The fiscal body may establish a cumulative building fund under IC 6-1.1-41 to provide money for:

(1) building, remodeling, and repair of park and recreation facilities; or

(2) purchase of land for park and recreation purposes.

(b) To provide for the cumulative building fund, the township fiscal body may levy a tax in compliance with IC 6-1.1-41 not greater than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed valuation of taxable property within the township.

(c) The tax shall be collected and held in a special fund known as the township park and recreation cumulative building fund.

SECTION 220. IC 36-10-7.5-22, AS AMENDED BY P.L.146-2008, SECTION 795, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 22. (a) To raise money to pay for land to be acquired for any of the purposes named in this chapter or to pay for an improvement authorized by this chapter, and in anticipation of the special benefit tax to be levied as provided in this chapter, the legislative body shall issue in the name of the township the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the legislative body under this chapter is confirmed whereby different parcels of land are to be acquired or more than one (1) contract for work is let by the executive at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars ($1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the legislative body shall certify a copy of the resolution to the township's fiscal officer. The fiscal officer shall prepare the bonds, and the executive shall execute the bonds, attested by the fiscal officer.

(c) The bonds and the interest on the bonds are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

~~(1) the filing of a petition requesting the issuance of bonds;~~

~~(2)~~ **(1)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

~~(3)~~ **(2)** the appropriation of the proceeds of the bonds; ~~with the approval of the department of local government finance;~~ and

~~(4)~~ **(3)** the sale of bonds at public sale for not less than the par value of the bonds.

(d) The legislative body may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the total adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the township but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. A bond must recite the terms upon the face of the bond, together with the purposes for which the bond is issued.

SECTION 221. IC 36-10-8-16, AS AMENDED BY P.L.146-2008, SECTION 796, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 16. (a) A capital improvement may be

financed in whole or in part by the issuance of general obligation bonds of the county or, if the authority was created under IC 18-7-18 (before its repeal on February 24, 1982), also of the city, if the board determines that the estimated annual net income of the capital improvement, plus the estimated annual tax revenues to be derived from any tax revenues made available for this purpose, will not be sufficient to satisfy and pay the principal of and interest on all bonds issued under this chapter, including the bonds then proposed to be issued.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the county executive authorizing the issuance of general obligation bonds, or, if the authority was created under IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body of the city authorizing the issuance of general obligation bonds. The resolution must set forth an itemization of the funds and assets received by the board, together with the board's valuation and certification of the cost. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the proper officers, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, at the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the proper officers may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

~~(1) the filing of a petition requesting the issuance of bonds and giving notice;~~

~~(2)~~ **(1)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

~~(3)~~ **(2)** the giving of notice of the determination to issue bonds;

~~(4)~~ **(3)** the giving of notice of a hearing on the appropriation of the proceeds of bonds;

~~(5)~~ **(4)** the right of taxpayers to appear and be heard on the proposed appropriation;

~~(6) the approval of the appropriation by the department of local government finance;~~ and

~~(7)~~ **(5)** the sale of bonds at public sale;

apply to the issuance of bonds under this section.

SECTION 222. IC 36-10-9-15, AS AMENDED BY P.L.146-2008, SECTION 797, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 15. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the board of commissioners of the county authorizing the issuance of general obligation bonds. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the board of commissioners of the county, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, at the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the board of commissioners of the county may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

~~(1) the filing of a petition requesting the issuance of bonds and giving notice;~~

~~(2)~~ **(1)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

~~(3)~~ **(2)** the giving of notice of the determination to issue bonds;

~~(4)~~ **(3)** the giving of notice of a hearing on the appropriation of the proceeds of bonds;

~~(5)~~ **(4)** the right of taxpayers to appear and be heard on the proposed appropriation;

~~(6) the approval of the appropriation by the department of local government finance;~~ and

~~(7)~~ **(5)** the sale of bonds at public sale for not less than par value;

are applicable to the issuance of bonds under this section.

SECTION 223. IC 36-10-10-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 12. A lease under this chapter must provide for the payment of the lease rental by the city from the levy of taxes against the real and personal property located within the city. ~~The lease is subject to approval by the department of local government finance under IC 6-3.5. The lease may be executed before approval; however, if the department of local government finance does not approve the lease, it is void.~~

SECTION 224. IC 36-10-10-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 14. ~~(a)~~ If the execution of the lease is authorized, notice of the execution shall be given on behalf of the city by publication one (1) time in a newspaper of general circulation printed in the English language and published in the city. ~~Fifty (50) or more taxpayers in the city whose tax rate will be affected by the proposed lease and who may be of the opinion that no necessity exists for the execution of the lease, or that the lease rental is not fair and reasonable, may file a petition in the office of the city clerk within fifteen (15) days after publication of notice of the execution of the lease, setting forth their objections and the facts supporting those objections.~~

~~(b) Upon the filing of a petition, the city clerk shall immediately certify a copy, together with other data that is necessary in order to present the questions involved, to the department of local government finance. Upon receipt of a certified petition and information, the department of local government finance shall set a time and place for the hearing of the matter in the city where the petition originated. The hearing shall be held at least five (5) but not more than fifteen (15) days~~

~~after receipt of the petition by the department of local government finance. Notice of the hearing shall be given by the department of local government finance to the city executive and to the first ten (10) taxpayer petitioners on the petition by certified mail sent to the addresses listed on the petition at least five (5) days before the date of the hearing. After the hearing, the department of local government finance shall promptly issue its decision on the petition.~~

SECTION 225. IC 36-10-10-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 15. An action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease may not be brought at any time later than fifteen (15) days after publication of notice of the execution of the lease. ~~or if an appeal has been taken to the department of local government finance, then fifteen (15) days after the decision of the department.~~

SECTION 226. IC 36-10-11-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 16. (a) The lease shall be executed on behalf of the governmental entity by an officer authorized by law to execute contracts for the entity and on behalf of the authority by both the president or vice president of the board and the secretary of the board of directors.

(b) Notice of the execution of the lease shall be given by the governmental entity by publication as provided in IC 5-3-1.

(c) A lease may not be executed with annual lease rental exceeding an aggregate of two hundred seventy-five thousand dollars ($275,000) unless the fiscal body of the lessee governmental entity finds that the estimated annual net income to the lessee governmental entity from the civic center, plus any other nonproperty tax funds made available annually for the payment of the lease rental, will not be less than the amount of the excess.

~~(d) The lease is subject to approval by the department of local government finance under IC 6-3.5. The lease may be executed before approval; however, if the department of local government finance does not approve the lease, it is void. The department of local government finance may not approve the lease under IC 6-3.5-1.1-8 unless it finds that the condition prescribed in subsection (c) is satisfied.~~

~~(c)~~ **(d)** All net revenues of the leased building, together with any other funds made available for the payment of lease rental, shall be transferred at least annually by the lessee to a fund for payment of lease rental.

SECTION 227. IC 36-10-11-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 18. An action to contest the validity of the lease or to enjoin the performance of the lease may not be brought later than thirty (30) days after publication of notice of the execution of the lease. ~~or thirty (30) days after the decision of the department of local government finance, whichever is later.~~

SECTION 228. IC 36-10-13-4, AS ADDED BY P.L.1-2005, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) This section does not apply to a school corporation in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000).

(b) **Subject to section 6 of this chapter,** the governing body of a school corporation may annually appropriate **to be paid to a historical society** from the school corporation's general fund, a sum of not more than **the following:**

(1) The amount appropriated for a historical society from property taxes from the fund in the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount from the fund for a historical society in the immediately preceding year.

(2) The appropriation for a historical society from property taxes from the fund in the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount for a historical society from the fund in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds five-tenths of one cent ($0.005) on each one hundred dollars ($100) of assessed valuation in the school corporation. ~~to be paid to a historical society, subject to section 6 of this chapter.~~

SECTION 229. IC 36-10-13-5, AS AMENDED BY P.L.146-2008, SECTION 798, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) This section applies only to a school corporation in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000).

(b) To provide funding for a historical society under this section, the governing body of a school corporation may impose a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five-tenths of one cent ($0.005) on each one hundred dollars ($100) of assessed valuation in the school corporation.

(c) The school corporation shall deposit the proceeds of the tax in a fund to be known as the historical society fund. The historical society fund is separate and distinct from the school corporation's general fund and may be used only to provide funds for a historical society under this section.

(d) Subject to section 6 of this chapter, the governing body of the school corporation may annually appropriate the money in the fund to be paid in semiannual installments to a historical society having facilities in the county.

SECTION 230. IC 36-10-13-7, AS AMENDED BY P.L.146-2008, SECTION 799, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) This section applies to school corporations in a county containing a city having a population of:

(1) more than one hundred fifty thousand (150,000) but less than five hundred thousand (500,000);

(2) more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

(3) more than ninety thousand (90,000) but less than one hundred five thousand (105,000);

(4) more than one hundred five thousand (105,000) but less

than one hundred twenty thousand (120,000); or

(5) more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

(b) To provide funding for an art association under this section, the governing body of a school corporation may impose a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five-tenths of one cent ($0.005) on each one hundred dollars ($100) of assessed valuation in the school corporation.

(c) The school corporation shall deposit the proceeds of the tax imposed under subsection (b) in a fund to be known as the art association fund. The art association fund is separate and distinct from the school corporation's general fund and may be used only to provide funds for an art association under this section. The governing body of the school corporation may annually appropriate the money in the fund to be paid in semiannual installments to an art association having facilities in a city that is described in subsection (a), subject to subsection (d).

(d) Before an art association may receive payments under this section, the association's governing board must adopt a resolution that entitles:

(1) the governing body of the school corporation to appoint the school corporation's superintendent and director of art instruction as visitors who may attend all meetings of the association's governing board;

(2) the governing body of the school corporation to nominate individuals for membership on the association's governing board, with at least two (2) of the nominees to be elected;

(3) the school corporation to use the association's facilities and equipment for educational purposes consistent with the association's purposes;

(4) the students and teachers of the school corporation to tour the association's museum and galleries free of charge;

(5) the school corporation to borrow materials from the association for temporary exhibit in the schools;

(6) the teachers of the school corporation to receive normal instruction in the fine and applied arts at half the regular rates charged by the association; and

(7) the school corporation to expect exhibits in the association's museum that will supplement the work of the students and teachers of the corporation.

A copy of the resolution, certified by the president and secretary of the association, must be filed in the office of the school corporation before payments may be received.

(e) A resolution filed under subsection (d) is not required to be renewed annually. The resolution continues in effect until rescinded. An art association that complies with this section is entitled to continue to receive payments under this section as long as the art association complies with the resolution.

(f) If more than one (1) art association in a city that is described in subsection (a) qualifies to receive payments under this section, the governing body of the school corporation shall select the one (1) art association best qualified to perform the services described in subsection (d). A school corporation may select only one (1) art association to receive payments under this section.

SECTION 231. IC 36-10-14-4, AS ADDED BY P.L.2-2006, SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. ~~Subject to IC 6-1.1-18-12,~~ The board may levy a tax not exceeding **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of assessed valuation of the property in the city to create a fund to carry out this chapter.

SECTION 232. IC 36-12-7-7, AS ADDED BY P.L.1-2005, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) The library board of a library established as an 1899 township library consists of the school township trustee in the township where the library is located and two (2) residents of the township who are appointed by the board of commissioners of the county where the library is located. Appointments are for a term of four (4) years. Members of the library board serve without compensation.

(b) The library board:

(1) shall control the purchase of books and the management of the library;

(2) shall possess and retain custody of any books remaining in the old township library in the township where the library is located;

(3) may receive donations, bequests, and legacies on behalf of the library; and

(4) may receive copies of all documents of the state available for distribution from the director of the state library.

(c) The 1899 township library is the property of the school township. The school township trustee is responsible for the safe preservation of the township library.

(d) Two (2) or more adjacent townships may unite to maintain a township library. The library is controlled by either:

(1) a combined library board, which consists of each of the uniting township boards appointed under subsection (a); or

(2) the one (1) township library board appointed under subsection (a) of the uniting townships that receives funding for the operation of the uniting township library.

(e) The legislative body of any township that contains a library established as an 1899 township library may levy a tax annually **for the establishment and support of a township library** of not more than **the following:**

(1) The levy imposed in the immediately preceding

calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property assessed for taxation in the township.

(f) If the legislative body does not levy the tax **under subsection (e),** a petition signed by at least the number of registered voters required under IC 3-8-6-3 to place a candidate on the ballot may be filed with the circuit court clerk, who:

(1) shall determine if an adequate number of voters have signed the petition; and

(2) if an adequate number of voters have signed the petition, shall certify the public question to the county election board under IC 3-10-9-3. The county election board shall then cause to be printed on the ballot for the township the following question in the form prescribed by IC 3-10-9-4: "Shall a township library tax be levied?".

(g) If a majority of the votes cast on the question in ~~subdivision (2)~~ **subsection (f)(2)** are in the affirmative, the township trustee shall annually levy a tax **for the establishment and support of a township library** of not less than ~~one and sixty-seven hundredths cents ($0.0167)~~ **fifty percent (50%)** and not more than **one hundred percent (100%) of the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property in the township. ~~for the establishment and support of a township library.~~

(h) The township tax **under subsection (e) or (g)** shall be levied, assessed, collected, and paid according to the procedure outlined in IC 6-1.1.

~~(f)~~ **(i)** The tax levy under subsection (e) **or (g)** shall be discontinued when the question of discontinuing the levy has been submitted to a vote according to the procedure provided in subsection ~~(e)~~ **(f)** and the majority of the votes cast on the question is in the negative.

~~(g)~~ **(j)** If a public library that is open for the use of all the residents of the township is located in the township, the proceeds of the tax collected under subsection (e) shall be paid to that public library.

~~(h)~~ **(k) This subsection applies** in a township outside a city that contains a library

~~(1)~~ established by private donations of the value of at least ten thousand dollars ($10,000), including the real estate and buildings used for the library, and

~~(2)~~ used for the benefit of all the inhabitants of the township. The township trustee of the township shall annually levy and collect **a property tax that is** not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of two cents ($0.02) on each one hundred dollars ($100) upon the taxable property within the limits of the township.

The money shall be paid to the trustees of the library, to be applied by the trustees for the purchase of books and the payment of the maintenance costs for the library.

(l) This subsection applies to a township described in subsection (k). When it becomes necessary to purchase additional ground for the extension or protection of library buildings already established by private donation, the trustee, with the consent of the county legislative body, may annually levy and collect **a property tax that is** not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied a property tax described in this subsection in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax described in this subsection in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable property of the township.

The tax described in this subsection may be levied for not more than three (3) years successively, to be expended by the trustees for the purchase of property and the construction and

enlargement of library buildings.

~~(i)~~ **(m)** The 1899 township library is free to all the residents of the township.

SECTION 233. IC 36-12-7-8, AS ADDED BY P.L.214-2005, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. (a) As used in this section:

(1) "county fiscal body" means the fiscal body of a county in which a private donation library is located;

(2) "library board" means a library board established under IC 20-14 in a county in which a private donation library is located; and

(3) "private donation library" means a public library:

(A) established by private donation;

(B) located in a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

(C) that contains at least twenty-five thousand (25,000) volumes;

(D) that has real property valued at at least one hundred thousand dollars ($100,000); and

(E) that is open and free to the residents of the city.

(b) The library board shall **do the following:**

(1) levy a tax under IC 6-1.1 in an amount not less than **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of sixty-seven hundredths of one cent ($0.0067) and not more than one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of the assessed valuation of all the real and personal property in the county.

(2) Keep the tax levied under subdivision (1) separate from all other funds of the library board. ~~and~~

(3) Use the tax levied under subdivision (1):

(A) if the membership of the trustees of the private donation library includes at least one (1) member or appointee of the library board and at least one (1) appointee of the county fiscal body, for distributions of the full amounts of the tax received to the trustees of the private donation library at the time the tax is received by the library board; or

(B) if the membership of the trustees of the private donation library does not include at least one (1) member or appointee of the library board and at least one (1) appointee of the county fiscal body, at the discretion of the library board for:

(i) library board purposes; or

(ii) quarterly distributions to the trustees of the private donation library.

(c) If requested by the trustees of the private donation library, the library board shall designate a member of the library board or appoint an individual to serve as a trustee of the private donation library. If requested by the trustees of the private donation library, the county fiscal body shall appoint an individual to serve as a trustee of the private donation library.

(d) The trustees of the private donation library shall annually submit a budget to the library board.

(e) The trustees of the private donation library shall expend amounts received under subsection (b)(3)(A) or (b)(3)(B)(ii) for the support, operation, and maintenance of the private donation library. The trustees shall:

(1) keep the money separate from all other funds;

(2) record:

(A) the amount of money received;

(B) to whom and when the money is paid out; and

(C) for what purpose the money is used;

in a book kept by the trustees; and

(3) make an annual report of the matters referred to in subdivision (2) to the library board.

(f) For purposes of the property tax levy limits under IC 6-1.1-18.5, the tax levied by the library board under subsection (b)(1) is not included in the calculation of the maximum permissible property tax levy for the public library.

SECTION 234. IC 36-12-10-9, AS ADDED BY P.L.1-2005, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 9. (a) If the execution of the lease as originally agreed upon, or as modified by agreement, is authorized by the library board, the library board shall give notice of the signing of the lease by publication one (1) time in a newspaper of general circulation printed in the English language in the district of the public corporation or in each public corporation district if the proposed lease is a joint lease. If a newspaper is not published in the district, the notice shall be published in any newspaper of general circulation published in the county.

~~(b) Fifty (50) or more taxpayers in the public corporation or corporations who will be affected by the proposed lease and who are of the opinion that the execution of the lease is not necessary or that the proposed rental is not a fair and reasonable rental may file a petition in the office of the county auditor of the county in which the public corporation or corporations are located. The petition must be filed not later than thirty (30) days after the publication of notice of the execution of the lease and must set forth objections and facts showing that the execution of the lease is unnecessary or unwise or that the lease rental is not fair and reasonable, as the case may be.~~

~~(c) Upon the filing of a petition, the county auditor shall immediately certify to the department of local government finance a copy of the petition, together with other data that may be necessary to present the questions involved. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for a hearing of the matter not less than five (5) or more than thirty (30) days after the department's receipt of the petition and information. The hearing shall be held in the public corporation or corporations or in the county where the public corporations are located.~~

~~(d) Notice of the hearing shall be given by the department of local government finance to the members of the library board and to the first ten (10) taxpayer petitioners on the petition by a letter signed by the department of local government finance. The postage of the notice shall be prepaid, and the notice shall be addressed to the persons at their usual place of residence and mailed at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal regarding the necessity for the execution of the lease and whether the rental is fair and reasonable is final. A lease may be amended by the parties by following the procedure under this chapter.~~

~~(e)~~ **(b)** An action to contest the validity of the lease or an amendment to the lease or to enjoin the performance of any of the terms and conditions of the lease must be brought not later

than thirty (30) days after publication of notice of the execution of the lease or an amendment to the lease by the library board of the public corporation or corporations. ~~If an appeal has been taken to the department of local government finance, action must be brought not later than thirty (30) days after the decision of the department.~~

SECTION 235. IC 36-12-12-10, AS ADDED BY P.L.1-2005, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. To provide for the capital projects fund, the library board may, for each year in which a plan adopted under section 3 of this chapter is in effect, impose a property tax rate that does not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed valuation of the library district.

This rate must be advertised in the same manner as other property tax rates.

SECTION 236. IC 36-12-15-3, AS ADDED BY P.L.2-2006, SECTION 198, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. **(a)** The governing body may levy a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one-tenth cent ($0.001) on each one dollar ($1) of taxable property assessed for taxation in a city or incorporated town in each year.

(b) The tax **under subsection (a)** shall be placed on the tax duplicate of the city or incorporated town and collected in the same manner as other taxes. The taxes shall be paid to the governing body for the support and maintenance of the public library. The governing body may use tax revenues received under this section and gifts, devises, and grants to:

(1) provide suitable facilities for the library;

(2) purchase books and other materials; and

(3) hire necessary personnel.".

Page 29, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 238. P.L.144-2008, SECTION 53 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 239. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2009]: IC 6-1.1-18-12; IC 6-1.1-18-13; IC 6-1.1-18.5-9.9; IC 6-1.1-18.5-10.3; IC 6-1.1-20-6; IC 6-1.1-20-7; IC 6-1.1-20.6-3.5; IC 13-21-3-15; IC 14-23-3-3; IC 15-13-9; IC 16-22-7-24; IC 20-46-7-8; IC 20-46-7-8.5; IC 20-46-7-9; IC 20-46-7-10; IC 20-46-7-11; IC 20-46-7-14; IC 20-48-4-7; IC 36-1-10-14; IC 36-1-15-3; IC 36-6-6-14.5; IC 36-10-11-17.".

Page 29, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 241. P.L.146-2008, SECTION 849 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: SECTION 849. (a) The definitions in IC 6-1.1-1, IC 6-1.1-20.9 (before its repeal), and IC 6-1.1-21 (before its repeal) apply throughout this SECTION.

(b) A taxpayer that is entitled to a standard deduction under IC 6-1.1-12-37 for property taxes assessed for the March 1, 2008, and January 15, 2009, assessment dates is entitled to a homestead credit under this SECTION against the property tax liability (as described in IC 6-1.1-21-5 (before its repeal)) imposed against the taxpayer's homestead for the March 1, 2008, and January 15, 2009, assessment dates.

(c) The amount of the credit to which an owner is entitled under this SECTION equals the product of:

(1) the percentage prescribed in subsection (d)(3); multiplied by

(2) the amount of the individual's property tax liability (as described in IC 6-1.1-21-5 (before its repeal)) that is:

(A) attributable to the homestead during the particular calendar year; and

(B) determined after the application of all deductions from assessed valuation that the owner claims under IC 6-1.1-12 or IC 6-1.1-12.1 for property and the property tax replacement credit under IC 6-1.1-21.

(d) The county auditor of each county shall determine:

(1) the amount of the county's homestead credit allotment determined under subsection (e);

(2) the amount of uniformly applied homestead credits for the year in the county that equals the amount determined under subdivision (1); and

(3) the percentage of homestead credit that equates to the amount of homestead credits determined under subdivision (2).

(e) There is granted under this SECTION a total of one hundred forty million dollars ($140,000,000) of homestead credits. The homestead credits shall be distributed to each county as prescribed in subsection (f). Before distribution, the department of local government finance shall certify each county's homestead credit allotment to the department of state revenue and to each county auditor.

(f) Each county's certified homestead credit allotment, which shall be calculated by the budget agency, shall be determined under the following STEPS:

STEP ONE: For each county, determine the total property tax liability of all homestead properties in the county for the most recent calendar year before the application of any credits.

STEP TWO: For each county, determine the total property tax liability of all homestead properties resulting from property tax levies that are eliminated or replaced by this act for the most recent calendar year, before the application of any credits.

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

STEP FOUR: Determine the sum of the amounts determined under STEP THREE.

STEP FIVE: Divide the amount determined in STEP THREE by the amount determined in STEP FOUR.

STEP SIX: Multiply the result of STEP THREE by one hundred forty million dollars ($140,000,000).

(g) Each county's homestead credit allotment authorized in this SECTION shall be distributed to that county ~~not more than~~ **in** two (2) ~~weeks after the county mails a property tax bill for which the homestead credit under this SECTION is granted.~~ **equal installments. The first installment shall be distributed not later than the first due date for property taxes payable in the county. The second installment shall be distributed not later than the second due date for property taxes payable in the county.**

(h) In addition to any other appropriations, there is appropriated one hundred forty million dollars ($140,000,000) from the state general fund to make distributions for the homestead credits provided by this SECTION for property taxes assessed for the March 1, 2008, and January 15, 2009, assessment dates. Money distributed under this subsection shall be treated as property taxes for all purposes.

(i) The department of local government finance, the department of state revenue, and the budget agency shall take the actions necessary to carry out this SECTION. The department of local government finance and the budget agency shall make the certifications required under this SECTION based on the best information available at the time the certification is made.

SECTION 242. P.L.146-2008, SECTION 850 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: SECTION 850. (a) The definitions in IC 6-1.1-1, IC 6-1.1-20.9 (before its repeal), and IC 6-1.1-21 (before its repeal) apply throughout this SECTION.

(b) A taxpayer that is entitled to a standard deduction under IC 6-1.1-12-37 for property taxes assessed for the March 1, 2009, and January 15, 2010, assessment dates is entitled to a homestead credit under this SECTION against the property tax liability (as described in IC 6-1.1-21-5 (before its repeal)) imposed against the taxpayer's homestead for the March 1, 2009, and January 15, 2010, assessment dates.

(c) The amount of the credit to which an owner is entitled under this SECTION equals the product of:

(1) the percentage prescribed in subsection (d)(3); multiplied by

(2) the amount of the individual's property tax liability (as described in IC 6-1.1-21-5 (before its repeal)) that is:

(A) attributable to the homestead during the particular calendar year; and

(B) determined after the application of all deductions from assessed valuation that the owner claims under IC 6-1.1-12 or IC 6-1.1-12.1 for property and the property tax replacement credit under IC 6-1.1-21.

(d) The county auditor of each county shall determine:

(1) the amount of the county's homestead credit allotment determined under subsection (e);

(2) the amount of uniformly applied homestead credits for the year in the county that equals the amount determined under subdivision (1); and

(3) the percentage of homestead credit that equates to the amount of homestead credits determined under subdivision (2).

(e) There is granted under this SECTION a total of eighty million dollars ($80,000,000) of homestead credits. The homestead credits shall be distributed to each county as prescribed in subsection (f). Before distribution, the department of local government finance shall certify each county's homestead credit allotment to the department of state revenue and to each county auditor.

(f) Each county's certified homestead credit allotment, which shall be calculated by the budget agency, shall be determined under the following STEPS:

STEP ONE: For each county, determine the total of state homestead credits granted in the county for the most recent calendar year.

STEP TWO: Determine the sum of the amounts determined under STEP ONE.

STEP THREE: Divide the amount determined in STEP ONE by the amount determined in STEP TWO.

STEP FOUR: Multiply the result of STEP THREE by eighty million dollars ($80,000,000).

(g) Each county's homestead credit allotment authorized in this SECTION shall be distributed to that county ~~not more than~~ **in** two (2) ~~weeks after the county mails a property tax bill for which the homestead credit under this SECTION is granted.~~ **equal installments. The first installment shall be distributed not later than the first due date for property taxes payable in the county. The second installment shall be distributed not later than the second due date for property taxes payable in the county.**

(h) In addition to any other appropriations, there is appropriated eighty million dollars ($80,000,000) from the state general fund to make distributions for the homestead credits provided by this SECTION for property taxes assessed for the March 1, 2009, and January 15, 2010, assessment dates. Money distributed under this subsection shall be treated as property taxes for all purposes.

(i) The department of local government finance, the department of state revenue, and the budget agency shall take the actions necessary to carry out this SECTION. The department of local government finance and the budget agency shall make the certifications required under this SECTION based on the best information available at the time the certification is made.

SECTION 243. [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **(a) IC 6-1.1-4-39 and IC 6-1.1-31-7, both as amended by this act, do not apply to assessment dates before January 16, 2010.**

(b) IC 6-1.1-4-42, as added by this act, does not apply to assessment dates before January 16, 2009. A rule or guideline of the department of local government finance adopted or issued before April 29, 2009, is void to the extent that the rule or guideline is in conflict with IC 6-1.1-4-42, as added by this act.

(c) A provision of this act that replaces a property tax rate limit with a property levy limit does not apply to a property tax or an appropriation made from property taxes imposed for an assessment date before January 16, 2009.

(d) This SECTION expires January 1, 2011.".

Page 30, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 244. [EFFECTIVE UPON PASSAGE] **(a) This SECTION applies only to the Pendleton Community Library.**

(b) Notwithstanding IC 36-12-12, the library board governing the library described in subsection (a) may annually impose a property tax levy for the library's capital projects fund in an amount that exceeds the limits imposed by IC 36-12-12 by twenty thousand dollars ($20,000) for each calendar year beginning after December 31, 2009, and ending before January 1, 2015.

(c) This SECTION expires January 1, 2015.

SECTION 245. [EFFECTIVE UPON PASSAGE] **(a) The legislative council shall appoint an interim study committee to study whether taxpayers are permitted an appropriate opportunity to participate in the process for determining the levies, tax rates, special assessments, special benefits taxes, and budgets imposed by political subdivisions.**

(b) The committee shall operate under the rules and procedures of the legislative council for study committees.

(c) Each member of the committee is entitled to receive the

same per diem, mileage, and travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem, mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the legislative services agency.

(d) The affirmative votes of a majority of members appointed to the committee are required for the committee to take action on any recommendation.

(e) The chairman of the legislative council shall appoint a member of the committee to serve as chairperson.

(f) The committee shall prepare and submit a written report of the committee's findings in an electronic format under IC 5-14-6 to the legislative council not later than November 1, 2009.

(g) This SECTION expires January 1, 2010.

SECTION 246. [EFFECTIVE UPON PASSAGE] **(a) This SECTION applies to Tippecanoe County if Tippecanoe County had a positive balance transferred to the county's levy excess fund established under IC 6-1.1-18.5-17 from the county's:**

(1) family and children's fund under P.L.146-2008, SECTION 823(b); and

(2) children's psychiatric residential treatment services fund under P.L.146-2008, SECTION 824(b).

(b) The county shall establish a separate fund or account to provide operating revenues for a juvenile justice center in the county. The excess from the balance referred to in subsection (a) that remains as of the effective date of this SECTION shall be transferred from the county's levy excess fund to the separate account or fund established under this subsection and used only for the purposes of the account or fund.

(c) This SECTION expires December 31, 2011.

SECTION 247. [EFFECTIVE UPON PASSAGE] **IC 6-1.1-16-1, as amended by this act, applies only to assessment dates after 2004.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1447 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 19, nays 1.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1449, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 9-14-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. A placard issued under this chapter must be displayed on the dashboard of a motor vehicle that is parked in a parking space reserved for persons with physical disabilities under this chapter unless the motor vehicle bears a license plate for a person with a disability issued under IC 9-18-22, a disabled **Hoosier** ~~veteran's~~ **veteran** license plate issued under IC 9-18-18, or an equivalent parking permit issued under the laws of another state. If a placard is lost, stolen, damaged, or destroyed, the bureau shall provide a duplicate placard upon the application of the person who was issued the placard.

SECTION 2. IC 9-18-12-2.5, AS ADDED BY P.L.79-2006, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2.5. (a) ~~After December 31, 2007,~~ A person who registers an antique motor vehicle under this chapter may:

(1) furnish; and

(2) display on the antique motor vehicle;

an Indiana license plate from the model year of the antique motor vehicle.

(b) A license plate furnished and displayed under this section must be an authentic license plate from the model year of the antique motor vehicle.

(c) Before a license plate is mounted on an antique motor vehicle under this section, the license plate must be inspected by the bureau to determine whether the license plate:

(1) complies with this section;

(2) is in suitable condition to be displayed; and

(3) bears a unique plate number at the time of the registration of the antique motor vehicle.

The bureau **shall authorize the display of a restored or refurbished authentic license plate, but** may prohibit the display of an authentic license plate under this section if the authentic license plate is not in conformance with this subsection.

(d) If an Indiana license plate from the model year of the antique motor vehicle is displayed on a motor vehicle registered as an antique motor vehicle under this chapter, the current certificate of registration of the antique motor vehicle shall be:

(1) kept at all times in the vehicle; and

(2) made available for inspection upon the demand of a law enforcement officer.

Notwithstanding IC 9-18-2-21, this subsection is not satisfied by keeping a reproduction of the certificate of registration in the vehicle or making a reproduction of the certificate of registration available for inspection.

(e) The fee to register and display an authentic license plate from the model year of an antique motor vehicle is as provided in IC 9-29-5-32.5.".

Page 2, line 5, after "disabled" insert "**Hoosier**".

Page 3, line 2, strike "or".

Page 3, between lines 4 and 5, begin a new line double block indented and insert:

"**(JJ) IC 9-18-53 (friends of animals trust license plates);**

(KK) IC 9-18-54 (Gibault Children's Services Foundation license plates); or

(LL) IC 9-18-55 (POW/MIA license plates);".

Page 3, between lines 7 and 8, begin a new paragraph and insert:

"SECTION 4. IC 9-18-18-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) A person may apply for, receive, and display a disabled **Hoosier** veteran license plate on the person's vehicle for private and personal use if the person, as the result of having served in the armed forces of the United States, has:

(1) lost sight in both eyes or suffered permanent impairment of vision in both eyes to the extent of being eligible for service-connected compensation for the loss;

(2) suffered the loss of one (1) or both feet or the permanent loss of use of one (1) or both feet;

(3) suffered the loss of one (1) or both hands or the permanent loss of use of one (1) or both hands; or

(4) a ~~physical condition that precludes the person from walking without pain or difficulty.~~ **disability rating of ten percent (10%) or more due to a disability that impairs the person's ability to walk.**

(b) An application for a disabled **Hoosier** veteran license plate must be accompanied by a certificate from the:

(1) United States Department of Veterans Affairs; or

(2) appropriate branch of the armed forces of the United States;

confirming the eligibility of the person submitting the application for the disabled **Hoosier** veteran license plate. **If the person is eligible under subsection (a)(4) and has a disability rating of at least ten percent (10%) but not more than forty percent**

(40%), the certificate submitted under this subsection must specifically indicate that the person's eligibility is due to a walking impairment.

SECTION 5. IC 9-18-18-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) A person qualifying under section 1 of this chapter may not be charged the following:

(1) A fee for parking in a metered space.

(2) A penalty for parking in a metered space for longer than the time permitted.

(b) This section does not authorize parking of a motor vehicle in places where parking is not allowed at any time when the prohibition is posted and authorized by ordinances in cities and towns or by order of the Indiana department of transportation.

(c) A person other than the owner of the motor vehicle displaying a disabled **Hoosier** veteran license plate authorized by this chapter is not entitled to the parking privileges authorized by this section.

SECTION 6. IC 9-18-18-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. The bureau:

(1) may design and issue disabled **Hoosier** veteran license plates to implement this chapter; and

(2) shall administer this chapter relating to proper certification for a person applying for a disabled **Hoosier** veteran license plate.

SECTION 7. IC 9-18-18-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. Not more than two (2) disabled **Hoosier** veteran license plates may be issued to each eligible person.

SECTION 8. IC 9-18-18-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. The disabled **Hoosier** veteran license plates authorized under this chapter shall be issued by the bureau for any classification of vehicle required to be registered under Indiana law, but the license plate may not be used for commercial vehicles.

SECTION 9. IC 9-18-18-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. A ~~Class I~~ **disabled Hoosier veteran** license plate must be ~~blue and~~ gold in color **with blue lettering** and contain the following:

(1) Identification numerals.

(2) The words "Disabled ~~Am Vet".~~ **Hoosier Veteran".**

SECTION 10. IC 9-18-25-1, AS AMENDED BY P.L.30-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. This chapter does not apply to the following:

(1) Antique motor vehicle license plates (IC 9-18-12).

(2) Recovery vehicle license plates (IC 9-18-13).

(3) Personalized license plates (IC 9-18-15).

(4) Prisoner of war license plates (IC 9-18-17).

(5) Disabled **Hoosier** veteran license plates (IC 9-18-18).

(6) Purple Heart license plates (IC 9-18-19).

(7) Indiana National Guard license plates (IC 9-18-20).

(8) Person with a disability license plates (IC 9-18-22).

(9) Amateur radio operator license plates (IC 9-18-23).

(10) In God We Trust license plates (IC 9-18-24.5).

(11) Pearl Harbor survivor license plates (IC 9-18-45.8).

(12) Hoosier veteran license plates (IC 9-18-50).

(13) Support our troops license plates (IC 9-18-51).

(14) Abraham Lincoln bicentennial license plates (IC 9-18-52).".

Page 4, after line 25, begin a new paragraph and insert:

"SECTION 12. IC 9-18-53 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 53. Friends of Animals Trust License Plates

Sec. 1. This chapter applies after December 31, 2009.

Sec. 2. The bureau shall design and issue a friends of animals trust license plate. The friends of animals trust license plate shall be designed and issued as a special group recognition license plate under IC 9-18-25.

Sec. 3. After December 31, 2009, a person who is eligible to register a vehicle under this title is eligible to receive a friends of animals trust license plate under this chapter upon doing the following:

(1) Completing an application for a friends of animals trust license plate.

(2) Paying the fees under section 4 of this chapter.

Sec. 4. (a) The fees for a friends of animals trust license plate are as follows:

(1) The appropriate fee under IC 9-29-5-38(a).

(2) An annual fee of twenty-five dollars ($25).

(b) The annual fee described in subsection (a)(2) shall be collected by the bureau.

(c) The annual fee described in subsection (a)(2) shall be deposited in the friends of animals trust fund established by section 5 of this chapter.

Sec. 5. (a) The friends of animals trust fund is established.

(b) The treasurer of state shall invest the money in the friends of animals trust fund not currently needed to meet the obligations of the friends of animals trust fund in the same manner as other public trust funds are invested. Interest that accrues from these investments shall be deposited in the friends of animals trust fund.

(c) The bureau shall administer the friends of animals trust fund. Expenses of administering the friends of animals trust fund shall be paid from money in the friends of animals trust fund.

(d) On June 30 of each year, the bureau shall distribute money in the fund attributable to the recipients of a friends of animals trust license plate to the Indiana Animal Health Foundation.

(e) Upon receipt of the funds from the friends of animals trust fund, the Indiana Animal Health Foundation shall use the funds to support only the following purposes:

(1) Animal control programs.

(2) Humane societies.

(3) Pet overpopulation reduction through a variety of approaches, including:

(A) subsidizing surgeries through veterinarians and clinics;

(B) providing education programs for pet owners and potential pet owners; and

(C) helping animal control entities and humane societies deal with pet overpopulation issues.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 13. IC 9-18-54 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 54. Gibault Children's Services Foundation License Plates

Sec. 1. The bureau shall design and issue a Gibault Children's Services Foundation license plate. The Gibault Children's Services Foundation license plate shall be designed and issued as a special group recognition license plate under IC 9-18-25.

Sec. 2. After January 1, 2010, a person who is eligible to register a vehicle under this title is eligible to receive a Gibault Children's Services Foundation license plate under this chapter upon doing the following:

(1) Completing an application for a Gibault Children's Services Foundation license plate.

(2) Paying the fees under section 3 of this chapter.

Sec. 3. (a) The fees for a Gibault Children's Services Foundation license plate are as follows:

(1) The appropriate fee under IC 9-29-5-38(a).

(2) An annual fee of twenty-five dollars ($25).

(b) The annual fee described in subsection (a)(2) shall be collected by the bureau.

(c) The annual fee described in subsection (a)(2) shall be deposited in the Gibault Children's Services Foundation trust fund established by section 4 of this chapter.

Sec. 4. (a) The Gibault Children's Services Foundation trust fund (referred to as the "fund" in this section) is established.

(b) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public trust funds are invested. Interest that accrues from these investments shall be deposited in the fund. Money in the fund is continuously appropriated for the purposes of this section.

(c) The commissioner shall administer the fund. Expenses of administering the fund shall be paid from money in the fund.

(d) On June 30 of each year, the commissioner shall distribute the money from the fund to the Gibault Children's Services Foundation.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 14. IC 9-18-55 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 55. POW/MIA License Plates

Sec. 1. This chapter applies after December 31, 2009.

Sec. 2. The bureau shall design and issue a POW/MIA license plate. The POW/MIA license plate shall be designed and issued as a special group recognition license plate under IC 9-18-25.

Sec. 3. After December 31, 2009, a person who is eligible to register a vehicle under this title is eligible to receive a POW/MIA license plate under this chapter upon doing the following:

(1) Completing an application for a POW/MIA license plate.

(2) Paying the fees under section 4 of this chapter.

Sec. 4. (a) The fees for a POW/MIA license plate are as follows:

(1) The appropriate fee under IC 9-29-5-38(a).

(2) An annual fee of twenty-five dollars ($25).

(b) The annual fee described in subsection (a)(2) shall be collected by the bureau.

(c) The annual fee described in subsection (a)(2) shall be deposited in the veteran's affairs trust fund established by IC 10-17-13-3(a).

SECTION 15. IC 10-17-13-3, AS ADDED BY P.L.144-2007, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The veterans' affairs trust fund is established to provide assistance to veterans and their families.

(b) The fund consists of the following:

(1) Appropriations by the general assembly.

(2) Donations, gifts, grants, and bequests to the fund.

(3) Interest and dividends on assets of the funds.

(4) Money transferred to the fund from other funds.

(5) Money from any other source, **including fees collected from the POW/MIA license plate under IC 9-18-55-4(a)(2),** deposited in the fund.

SECTION 16. IC 14-19-3-4, AS AMENDED BY P.L.1-2006, SECTION 211, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) Upon application to the department, a resident of Indiana:

(1) who:

(A) if born in 1933, 1934, 1935, 1936, or 1937, is at least sixty (60) years of age; or

(B) if born before 1933 or after 1937, is at least sixty-five (65) years of age;

(2) who is eligible for Social Security disability payments under 42 U.S.C. 423;

(3) who is eligible for a disabled **Hoosier** veteran license plate under IC 9-18-18-1; or

(4) who is issued a prisoner of war license plate under IC 9-18-17-1;

may purchase or is eligible to receive an annual Golden Hoosier Passport.

(b) A Golden Hoosier Passport entitles:

(1) the resident;

(2) the resident's motor vehicle; and

(3) the resident's passengers;

to unlimited admission for one (1) calendar year to the Indiana state parks, recreation areas, reservoirs, forests, historic sites, museums, memorials, and other department properties for which admission is charged during the year for which the passport was issued.

(c) Except as provided in subsection (d), the fee for an annual Golden Hoosier Passport issued under this section is fifty percent (50%) of the fee that the department charges a resident who is not described in subsection (a)(1), (a)(2), or (a)(3) for unlimited admission for one (1) calendar year to the Indiana state parks, recreation areas, reservoirs, forests, historic sites, museums, memorials, and other department properties for which admission is charged.

(d) A fee may not be charged for an annual Golden Hoosier Passport issued under this section to a resident described in subsection (a)(4).

SECTION 17. IC 9-18-18-6 IS REPEALED [EFFECTIVE JULY 1, 2009].

SECTION 18. [EFFECTIVE JULY 1, 2009] **(a) IC 9-18-18-7, as amended by this act, applies to license plates issued or renewed after December 31, 2009.**

(b) This SECTION expires June 30, 2014.

SECTION 19. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1449 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

AUSTIN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1494, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 19, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1546, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 2. IC 5-10.2-1-8, AS AMENDED BY P.L.115-2008, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. (a) ~~Except as provided in subsection (b),~~ **For a member of:**

(1) the Indiana state teachers' retirement fund; or

(2) the public employees' retirement fund who retires before January 1, 2010;

"vested status" as used in this article means the status of having ten (10) years of creditable service.

(b) For a member of the public employees' retirement fund who retires after December 31, 2010, "vested status" as used

in this article means the status of having at least eight (8) years of creditable service.

~~(b)~~ **(c)** In the case of a person who is an elected county official whose governing body has provided for the county official's participation in the public employees' retirement fund under IC 5-10.3-7-2(1), "vested status" means the status of: ~~having:~~

(1) **having** at least eight (8) years of creditable service as an elected county official in an office described in IC 5-10.2-4-1.7;

(2) **having** been elected at least two (2) times if the person would have had at least eight (8) years of creditable service as an elected county official in an office described in IC 5-10.2-4-1.7 had the person's term of office not been shortened under a statute enacted under Article 6, Section 2(b) of the Constitution of the State of Indiana; or

(3) **having:**

(A) before January 1, 2011, at least ten (10) years of creditable service; **or**

(B) after December 31, 2010, at least eight (8) years of creditable service;

as a member of the fund based on a combination of service as an elected county official and as a full-time employee in a covered position.

~~(c)~~ **(d)** In the case of a person whose term of office commences after the election on November 5, 2002, as auditor of state, secretary of state, or treasurer of state, and who is prohibited by Article 6, Section 1 of the Constitution of the State of Indiana from serving in that office for more than eight (8) years during any period of twelve (12) years, that person shall be vested with at least eight (8) years of creditable service as a member of the fund.

~~(d)~~ **(e)** This subsection applies to an individual elected to the office of treasurer of state at the election on November 7, 2006. The individual is vested for purposes of this article if the individual is reelected as treasurer of state at the 2010 general election and serves in the office until January 1, 2015.".

Page 6, between lines 4 and 5, begin a new paragraph and insert:

"SECTION 4. IC 5-10.2-3-1.2, AS AMENDED BY P.L.115-2008, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.2. (a) A member who:

(1) before January 1, 2011, has earned at least ten (10) years of service in a position covered by PERF, TRF, or a combination of the two (2) funds; **or**

(2) after December 31, 2010, has earned:

(A) at least eight (8) years of service in a position covered by PERF; or

(B) at least ten (10) years of service in:

(i) a position covered by TRF; or

(ii) a combination of one (1) or more positions covered by PERF and one (1) or more positions covered by TRF;

may purchase one (1) year of service credit for each five (5) years of service that the member has completed in a position covered by PERF or TRF.

(b) Before a member retires, a member who desires to purchase additional service credit under subsection (a) must contribute to the fund as follows:

(1) Contributions that are equal to the product of the following:

(A) The member's salary at the time the member actually makes a contribution for the service credit.

(B) A rate, determined by the actuary for the fund, that is based on the age of the member at the time the member actually makes a contribution for the service credit and computed to result in a contribution amount that approximates the actuarial present value of the benefit attributable to the service credit purchased.

(C) The number of years of service credit the member intends to purchase.

(2) Contributions for any accrued interest, at a rate determined by the actuary for the fund, for the period from the member's initial membership in the fund to the date payment is made by the member.

(c) The following apply to the purchase of service credit under this section:

(1) The board may allow a member to make periodic payments of the contributions required for the purchase of service credit. The board shall determine the length of the period during which the payments must be made.

(2) The board may deny an application for the purchase of service credit if the purchase would exceed the limitations under Section 415 of the Internal Revenue Code.

(3) A member may not claim the service credit for the purpose of computing benefits unless the member has made all payments required for the purchase of the service credit.

(4) To the extent permitted by the Internal Revenue Code and applicable regulations, a member may purchase service credit under this section by a rollover distribution to the fund from any of the following:

(A) A qualified plan described in Section 401(a) or Section 403(a) of the Internal Revenue Code.

(B) An annuity contract or account described in Section 403(b) of the Internal Revenue Code.

(C) An eligible plan that is maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state under Section 457(b) of the Internal Revenue Code.

(D) An individual retirement account or annuity described in Section 408(a) or Section 408(b) of the Internal Revenue Code.

(d) A member who terminates employment before satisfying the eligibility requirements necessary to receive a monthly benefit may withdraw the purchase amount, plus accumulated interest, after submitting a properly completed application for a refund to the fund. However, the member must also apply for a refund of the member's entire annuity savings account under section 6 or 6.5 of this chapter to be eligible for a refund of the member's rollover amount.

(e) For a member who is a state employee, the employer may pay all or a part of the member contributions required for the purchase of service credit under this section. In that event, the actuary shall determine the amortization, and subsections (c)(1), (c)(3), (c)(4), and (d) do not apply.

(f) For a member who is an employee of a participating political subdivision, the employer may adopt an ordinance to pay all or a part of the member contributions required for the purchase of service credit under this section. In that event, the actuary shall determine the amortization, and subsections (c)(1), (c)(3), (c)(4), and (d) do not apply.

SECTION 5. IC 5-10.2-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) This subsection applies to:

(1) members of the public employees' retirement fund who retire before July 1, 1995; and

(2) members of the Indiana state teachers' retirement fund who retire before May 2, 1989.

A member who has reached age sixty-five (65) and has at least ten (10) years of creditable service is eligible for normal retirement.

(b) This subsection applies to members of the Indiana state teachers' retirement fund who retire after May 1, 1989, and to members of the public employees' retirement fund who retire after June 30, 1995, **and before January 1, 2011,** except as provided in section 1.7 of this chapter. A member is eligible for normal retirement if:

(1) the member is at least sixty-five (65) years of age and has at least ten (10) years of creditable service;
(2) the member is at least sixty (60) years of age and has at least fifteen (15) years of creditable service; or
(3) the member's age in years plus the member's years of service is at least eighty-five (85) and the member is at least fifty-five (55) years of age.

(c) This subsection applies to a member of the public employees' retirement fund who retires after December 31, 2010. A member is eligible for normal retirement if:
(1) the member is at least sixty-five (65) years of age and has at least eight (8) years of creditable service;
(2) the member is at least sixty (60) years of age and has at least fifteen (15) years of creditable service; or
(3) the member's age in years plus the member's years of service is at least eighty-five (85) and the member is at least fifty-five (55) years of age.

~~(c)~~ **(d)** A member who has reached age fifty (50) and has at least fifteen (15) years of creditable service is eligible for early retirement with a reduced pension.

~~(d)~~ **(e)** A member who is eligible for normal or early retirement is entitled to choose a retirement date on which the member's benefit begins if the following conditions are met:
(1) The application for retirement benefits and the choice of the date is filed on a form provided by the board.
(2) The date must be after the cessation of the member's service and be the first day of a month.
(3) The retirement date is not more than six (6) months before the date the application is received by the board. However, if the board determines that a member is incompetent to file for benefits and choose a retirement date, the retirement date may be any date that is the first of the month after the time the member became incompetent.

SECTION 6. IC 5-10.2-4-1.7, AS AMENDED BY P.L.88-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.7. (a) This section applies only to members of the public employees' retirement fund who retire after June 30, 2002.

(b) A member is eligible for normal retirement after becoming sixty-five (65) years of age if the member:
(1) has:
(A) served as an elected county official in an office described in Article 6, Section 2 of the Constitution of the State of Indiana for at least eight (8) years; or
(B) been elected at least two (2) times and would have served at least eight (8) years as an elected county official in an office described in Article 6, Section 2 of the Constitution of the State of Indiana had the member's term of office not been shortened under a statute enacted under Article 6, Section 2(b) of the Constitution of the State of Indiana; and
(2) is prohibited by Article 6, Section 2 of the Constitution of the State of Indiana from serving in that office for more than eight (8) years in any period of twelve (12) years.

(c) A member who:
(1) has served as an elected county official; and
(2) does not meet the requirements of subsection (b);
is eligible for normal retirement if the member has attained vested status (as defined in ~~IC 5-10.2-1-8(b)(3))~~ **IC 5-10.2-1-8(c)(3))** and meets the requirements of section 1 of this chapter.

SECTION 7. IC 5-10.2-4-1.9, AS ADDED BY P.L.115-2008, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.9. (a) This section applies only to a member of the public employees' retirement fund:
(1) who has served as a state officer listed in Article 6, Section 1 of the Constitution of the State of Indiana; and
(2) whose term of office as a state officer commenced after the election held on November 5, 2002.

(b) A member is eligible for normal retirement after becoming sixty-five (65) years of age if the member:
(1) has:
(A) served as a state officer listed in Article 6, Section 1 of the Constitution of the State of Indiana for at least eight (8) years; or
(B) been elected at least two (2) times and would have served at least eight (8) years as a state officer listed in Article 6, Section 1 of the Constitution of the State of Indiana had the member's term of office not been shortened under a statute enacted to establish uniform dates for beginning the terms of state officers listed in Article 6, Section 1 of the Constitution of the State of Indiana; and
(2) is prohibited by Article 6, Section 1 of the Constitution of the State of Indiana from serving in that office for more than eight (8) years in any period of twelve (12) years.

(c) A member who:
(1) has served as a state officer listed in Article 6, Section 1 of the Constitution of the State of Indiana; and
(2) does not meet the requirements of subsection (b);
is eligible for normal retirement if the member has attained vested status (as defined in ~~IC 5-10.2-1-8(a))~~ **IC 5-10.2-1-8)** and meets the requirements of section 1 of this chapter.".

Page 7, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 9. IC 5-10.3-3-1, AS AMENDED BY P.L.62-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) The board is composed of six (6) trustees.

(b) Five (5) of the trustees shall be appointed by the governor, as follows:
(1) One (1) must be a member of the fund with:
(A) before January 1, 2011, at least ten (10) years of creditable service; **or**
(B) after December 31, 2010, at least eight (8) years of creditable service.
(2) Not more than three (3) may be members of the same political party.
(3) One (1) must be:
(A) a:
(i) member of the fund or retired member of the fund; or
(ii) member of a collective bargaining unit of state employees represented by a labor organization; or
(B) an individual who is:
(i) an officer or a member of a local, a national, or an international labor union that represents state or university employees; and
(ii) an Indiana resident.

(c) The director of the budget agency or the director's designee is an ex officio voting member of the board. An individual appointed under this subsection to serve as the director's designee:
(1) is subject to the provisions of section 3 of this chapter; and
(2) serves as a permanent designee until replaced by the director.

(d) The governor shall fill by appointment vacancies on the board in the manner described in subsection (b).

(e) In making the appointments under subsection (b)(1) or (b)(2), the governor may consider whether at least one (1) trustee is a retired member of the fund under subsection (b)(3)(A)(i).

SECTION 10. IC 5-10.3-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. (a) As used in this section, "withdrawing political subdivision" means a political subdivision that takes an action described in subsection (b).

(b) Subject to the provisions of this section, a political subdivision may do the following:

(1) Stop its participation in the fund and withdraw all of the political subdivision's employees from participation in the fund.
(2) Withdraw a departmental, an occupational, or other definable classification of employees from participation in the fund.
(3) Stop the political subdivision's participation in the fund by:
(A) selling all of the political subdivision's assets; or
(B) ceasing to exist as a political subdivision.

(c) The withdrawal of a political subdivision's participation in the fund is effective on a termination date established by the board. The termination date may not occur before all of the following have occurred:
(1) The withdrawing political subdivision has provided written notice of the following to the board:
(A) The withdrawing political subdivision's intent to cease participation.
(B) The names of the withdrawing political subdivision's current employees and former employees as of the date on which the notice is provided.
(2) The expiration of:
(A) a ninety (90) day period following the filing of the notice with the board, for a withdrawing political subdivision that sells all of the withdrawing political subdivision's assets or that ceases to exist as a political subdivision; or
(B) a two (2) year period following the filing of the notice with the board, for all other withdrawing political subdivisions.
(3) The withdrawing political subdivision takes all actions required in subsections (d) through (h).

(d) With respect to retired members who have creditable service with the withdrawing political subdivision, the withdrawing political subdivision must contribute to the fund any additional amounts that the board determines are necessary to provide for reserves with sufficient assets to pay all future benefits from the fund to those retired members. The contribution by the withdrawing political subdivision must be made in a lump sum or in a series of payments determined by the board.

(e) A member who is an employee of the political subdivision as of the date of the notice under subsection (c) is vested in the pension portion of the member's retirement benefit. The withdrawing political subdivision must contribute to the fund the amount the board determines is necessary to fund fully the vested benefit. The contribution by the withdrawing political subdivision must be made in a lump sum or in a series of payments determined by the board.

(f) A member who is covered by subsection (e) and who is at least sixty-five (65) years of age may elect to retire under IC 5-10.2-4-1 even if the member has:
(1) before January 1, 2011, fewer than ten (10) years of service; **or**
(2) after December 31, 2010, fewer than eight (8) years of service.
The benefit for the member shall be computed under IC 5-10.2-4-4 using the member's actual years of service.

(g) With respect to members of the fund who have creditable service with the withdrawing political subdivision and who are not employees as of the date of the notice under subsection (c), the withdrawing political subdivision must contribute the amount that the board determines is necessary to fund fully the service for those members that is attributable to service with the withdrawing political subdivision. The contribution by the withdrawing political subdivision must be made in a lump sum or in a series of payments determined by the board.

(h) The board shall evaluate each withdrawal under this section to determine if the withdrawal affects the fund's compliance with Section 401(a)(4) of the Internal Revenue Code of 1954, as in effect on September 1, 1974. The board may deny a political subdivision permission to withdraw if the denial is necessary to achieve compliance with Section 401(a)(4) of the Internal Revenue Code of 1954, as in effect on September 1, 1974.

SECTION 11. IC 5-10.3-6-8.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8.5. (a) This section only applies if:
(1) certain employees of a state university in a departmental, occupational, or other definable classification involved in health care are terminated from employment with the state university as a result of:
(A) a lease or other transfer of university property to a nongovernmental entity; or
(B) a contractual arrangement with a nongovernmental entity to perform certain state university functions;
(2) the state university requests coverage under this section from the board; and
(3) the board approves the request.

(b) The withdrawal of the employees described in subsection (a) from the fund is effective on a termination date established by the board. The board may not establish a termination date that occurs before all of the following have occurred:
(1) The state university has requested coverage under this section and provided written notice of the following to the board:
(A) The intent of the state university to terminate the employees from employment.
(B) The names of the terminated employees as of the date that the termination is to occur.
(2) The expiration of a thirty (30) day period following the filing of the notice with the board.
(3) The state university fully complies with subsection (c).

(c) A member who is an employee of the state university described in subsection (a) as of the date of the notice under subsection (b) and who is listed in the notice under subsection (b) is vested in the pension portion of the member's retirement benefit. The state university must contribute to the fund the amount the board determines is necessary to completely fund the vested benefit. The contribution by the state university must be made in a lump sum or in a series of payments determined by the board.

(d) A member who is covered by subsection (c) and who is at least sixty-five (65) years of age may elect to retire under IC 5-10.2-4-1 even if the member has:
(1) before January 1, 2011, less than ten (10) years of service; **or**
(2) after December 31, 2010, less than eight (8) years of service.
The benefit for the member shall be computed under IC 5-10.2-4-4 using the member's actual years of creditable service.

(e) The board shall evaluate each withdrawal under this section to determine if the withdrawal affects the fund's compliance with Section 401(a) of the Internal Revenue Code of 1954, as in effect on September 1, 1974. The board may deny an employee permission to withdraw if the denial is necessary to achieve compliance with Section 401(a) of the Internal Revenue Code of 1954, as in effect on September 1, 1974.

SECTION 12. IC 5-10.3-6-8.9, AS ADDED BY P.L.158-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8.9. (a) This section applies when certain employees of the state in particular departmental, occupational, or other definable classifications are terminated from employment with the state as a result of:
(1) a lease or other transfer of state property to a nongovernmental entity; or
(2) a contractual arrangement with a nongovernmental entity to perform certain state functions.

(b) The governor shall request coverage under this section from the board whenever an employee of the state is terminated as described in subsection (a).

(c) The board must approve a request from the governor under subsection (b) unless approval violates subsection (k), federal or state law, or the terms of the fund.

(d) As used in this section, "early retirement" means a member is eligible to retire with a reduced pension under IC 5-10.2-4-1, because the member:

(1) is at least fifty (50) years of age; and

(2) has at least fifteen (15) years of creditable service.

(e) As used in this section, "normal retirement" means a member is eligible to retire under IC 5-10.2-4-1, because:

(1) the member is at least sixty-five (65) years of age and has:

(A) before January 1, 2011, at least ten (10) years of creditable service; **or**

(B) after December 31, 2010, at least eight (8) years of creditable service.

(2) the member is at least sixty (60) years of age and has at least fifteen (15) years of creditable service; or

(3) the member's age in years plus the member's years of service is at least eighty-five (85) and the member is at least fifty-five (55) years of age.

(f) The withdrawal of the employees described in subsection (a) from the fund is effective on a termination date established by the board. The board may not establish a termination date that occurs before all of the following have occurred:

(1) The governor has requested coverage under this section and provided written notice of the following to the board:

(A) The intent of the state to terminate the employees from employment.

(B) The names of the terminated employees as of the date that the termination is to occur.

(2) The expiration of a thirty (30) day period following the filing of the notice with the board.

(3) The state complies with subsections (g) and (i).

(g) A member who:

(1) is an employee of the state described in subsection (a) with at least twenty-four (24) months of creditable service as of the date of the notice under subsection (f); and

(2) is listed in the notice under subsection (f);

is vested in the pension portion of the member's retirement benefit. The state must contribute to the fund the amount the board determines is necessary to completely fund the vested benefit. The contribution by the state must be made in a lump sum or in a series of payments determined by the board. The benefit for the member shall be computed under IC 5-10.2-4-4 using the member's actual years of creditable service.

(h) A member who is covered by subsection (g) and who is at least sixty-five (65) years of age as of the date of the notice under subsection (f) may elect to retire under IC 5-10.2-4-1 even if the member has:

(1) before January 1, 2011, less than ten (10) years of service; **or**

(2) after December 31, 2010, less than eight (8) years of service.

The benefit for the member shall be computed under IC 5-10.2-4-4 using the member's actual years of creditable service.

(i) A member who is covered by subsection (f) and who, as of the date of the notice under subsection (f), is less than twenty-four (24) months from being eligible for normal or early retirement under IC 5-10.2-4-1 may elect to retire by purchasing the service credit needed for retirement under the following conditions:

(1) The state shall contribute to the fund an amount determined under IC 5-10.2-3-1.2 and payable from the sources described in subsection (j) sufficient to pay the member's contributions required for the member's purchase of the service credit the member needs to retire.

(2) The maximum amount of creditable service that the state may purchase for a member under this subsection is twenty-four (24) months.

(3) The benefit for the member shall be computed under IC 5-10.2-4-4 using the member's actual years of creditable service plus all other service for which the fund gives credit, including the creditable service purchased under this subsection.

(j) The amounts that the state is required to contribute to the fund under subsection (i) must come from the following sources:

(1) If the state receives monetary payments under the lease or contractual arrangement described in subsection (a), the proceeds of the monetary payments received by the state. The state may not require, as a condition of the transaction to transfer state property or have certain state functions performed by a nongovernmental entity, that the nongovernmental entity directly or indirectly pay the amounts that the state is required to contribute under subsection (i).

(2) If the state does not receive any monetary payments under the lease or contractual arrangement described in subsection (a), any remaining appropriations made to the state department, agency, or other entity terminating the employees described in subsection (a).

(3) If the sources described in subdivisions (1) and (2) do not fully fund the amounts that the state is required to contribute to the fund under subsection (i), the board shall request that the general assembly appropriate the amount necessary to fully fund the state's required contribution under subsection (i) in the next biennial state budget.

(k) The board shall evaluate each withdrawal under this section to determine if the withdrawal affects the fund's compliance with Section 401(a) of the Internal Revenue Code of 1954, as in effect on September 1, 1974. The board may deny an employee permission to withdraw if the denial is necessary to achieve compliance with Section 401(a) of the Internal Revenue Code of 1954, as in effect on September 1, 1974.

SECTION 13. IC 5-10.3-7-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4.5. (a) As used in this section, "out-of-state service" means service in another state in a comparable position that would be creditable service if performed in Indiana.

(b) Subject to subsections (c) through (f), a member may purchase out-of-state service credit if the member meets the following requirements:

(1) The member has at least one (1) year of creditable service in the fund.

(2) Before the member retires, the member makes contributions to the fund as follows:

(A) Contributions that are equal to the product of the following:

(i) The member's salary at the time the member actually makes a contribution for the service credit.

(ii) A rate, determined by the actuary of the fund, based on the age of the member at the time the member actually makes a contribution for service credit and computed to result in a contribution amount that approximates the actuarial present value of the benefit attributable to the service credit purchased.

(iii) The number of years of out-of-state service the member intends to purchase.

(B) Contributions for any accrued interest, at a rate determined by the actuary for the fund, for the period from the member's initial membership in the fund to the date payment is made by the member.

(3) The member has received verification from the fund

that the out-of-state service is, as of that date, valid.

(c) Out-of-state years that qualify a member for retirement in an out-of-state system or in any federal retirement system may not be granted under this section.

(d) At least:

(1) before January 1, 2011, ten (10); **or**

(2) after December 31, 2010, eight (8);

years of service in Indiana is required before a member may receive a benefit based on out-of-state service credits.

(e) A member who:

(1) terminates employment before satisfying the eligibility requirements necessary to receive a monthly allowance; or

(2) receives a monthly allowance for the same service from another tax supported public employee retirement plan other than under the Social Security Act;

may withdraw the purchase amount plus accumulated interest after submitting a properly completed application for a refund to the fund.

(f) The following apply to the purchase of service credit under this section:

(1) The board may allow a member to make periodic payments of the contributions required for the purchase of the service credit. The board shall determine the length of the period during which the payments must be made.

(2) The board may deny an application for the purchase of service credit if the purchase would exceed the limitations under Section 415 of the Internal Revenue Code.

(3) A member may not claim the service credit for purposes of determining eligibility or computing benefits unless the member has made all payments required for the purchase of the service credit.

SECTION 14. IC 5-10.3-7-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4.6. (a) Subject to the provisions of this section, a member may purchase service credit for the member's prior service in a position covered by the 1925 police pension fund under IC 36-8-6, the 1937 firefighters' pension fund under IC 36-8-7, or the 1953 police pension fund under IC 36-8-7.5 if the member meets the following requirements:

(1) The member has at least one (1) year of credited service in the fund.

(2) The member has not attained vested status in and is not an active member of the 1925 police pension fund, the 1937 firefighters' pension fund, or the 1953 police pension fund.

(3) Before the member retires, the member makes contributions to the fund as follows:

(A) Contributions that are equal to the product of the following:

(i) The member's salary at the time the member actually makes a contribution for the service credit.

(ii) A rate, determined by the actuary of the fund, based on the age of the member at the time the member actually makes a contribution for service credit and computed to result in a contribution amount that approximates the actuarial present value of the benefit attributable to the service credit purchased.

(iii) The number of years of service credit the member intends to purchase.

(B) Contributions for any accrued interest, at a rate determined by the actuary for the fund, for the period from the member's initial membership in the fund to the date payment is made by the member.

(4) The member has received verification from the fund that the service in the 1925 police pension fund, the 1937 firefighters' pension fund, or the 1953 police pension fund is, as of that date, valid.

(b) At least:

(1) before January 1, 2011, ten (10); **or**

(2) after December 31, 2010, eight (8);

years of service in Indiana is required before a member may receive a benefit based on service credits purchased under this section.

(c) A member who:

(1) terminates employment before satisfying the eligibility requirements necessary to receive a monthly allowance; or

(2) receives a monthly allowance for the same service from another tax supported public employee retirement plan other than under the Social Security Act;

may withdraw the purchase amount plus accumulated interest after submitting a properly completed application for a refund to the fund.

(d) The following apply to the purchase of service credit under this section:

(1) The board may allow a member to make periodic payments of the contributions required for the purchase of the service credit. The board shall determine the length of the period during which the payments must be made.

(2) The board may deny an application for the purchase of service credit if the purchase would exceed the limitations under Section 415 of the Internal Revenue Code.

(3) A member may not claim the service credit for purposes of determining eligibility or computing benefits unless the member has made all payments required for the purchase of the service credit.

SECTION 15. IC 5-10.3-7-4.8, AS ADDED BY P.L.148-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4.8. (a) As used in this section, "state quasi-governmental entity service" means service in Indiana that would be considered creditable service if performed by an employee of a member of the fund by an individual who:

(1) provided the service as an employee of a body corporate and politic, nonprofit corporation established by the state, or other quasi-governmental entity that performed a state governmental function; and

(2) was not a member of the fund under section 1 of this chapter during the period of employment.

(b) A member may purchase state quasi-governmental entity service credit subject to the following:

(1) The member must have at least one (1) year of credited service in the fund.

(2) The member must have at least:

(A) before January 1, 2011, ten (10); **or**

(B) after December 31, 2010, eight (8);

years of in-state credited service before the member may claim the service credit.

(3) Before the member retires, the member must make contributions to the fund:

(A) that are equal to the product of:

(i) the member's salary at the time the member actually makes a contribution for the service credit;

(ii) a percentage rate, as determined by the actuary of the fund, based on the age of the member at the time the member makes a contribution for service credit and computed to result in a contribution amount that approximates the actuarial present value of the benefit attributable to the service credit purchased; and

(iii) the number of years of state quasi-governmental entity service the member intends to purchase; and

(B) for any accrued interest, at a rate determined by the actuary of the fund, for the period from the member's initial membership in the fund to the date payment is made by the member.

(4) The member must provide verification of the service with the state quasi-governmental entity in a manner

prescribed by the fund.

(c) State quasi-governmental entity service that qualifies a member for retirement in a private retirement system or a federal retirement system may not be granted under this section.

(d) A member who:

(1) terminates employment before satisfying the eligibility requirements necessary to receive a monthly allowance; or

(2) receives a monthly allowance for the same service from another tax supported public employee retirement plan other than under the federal Social Security Act;

may withdraw the personal contributions made under the contributory plan plus accumulated interest after submitting to the fund a properly completed application for a refund.

(e) The following apply to the purchase of service credit under this section:

(1) The board may allow a member to make periodic payments of the contributions required for the purchase of the service credit. The board shall determine the length of the period during which the payments must be made.

(2) The board may deny an application for the purchase of service credit if the purchase would exceed the limitations under Section 415 of the Internal Revenue Code.

(3) A member may not claim the service credit for purposes of determining eligibility or computing benefits unless the member has made all payments required for the purchase of the service credit.

SECTION 16. IC 5-10.3-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) A member who:

(1) enters the United States armed services;

(2) leaves ~~his~~ **the member's** contributions in the fund;

(3) except as provided in subsection (c), resumes service with ~~his~~ **the member's** employer within one hundred twenty (120) days after ~~his~~ **the member's** unconditional discharge; and

(4) would be entitled to service credit for military service under the Uniformed Services Employment and Reemployment Rights Act (38 U.S.C. 4301 et seq.) if the member had resumed service with the member's employer within ninety (90) days after discharge;

is entitled to service credit for the armed service.

(b) A state employee who left employment before January 1, 1946, or an employee of a political subdivision who left employment before the participation date, to enter the United States armed services is entitled to service credit for the armed service if ~~he:~~ **the employee:**

(1) except as provided in subsection (c), resumes service with the employer within one hundred twenty (120) days after ~~his~~ **the employee's** unconditional discharge; and

(2) would be entitled to service credit for military service under the applicable requirements of federal law in effect at the time of reemployment if the employee had resumed service with the employee's employer within ninety (90) days after discharge.

(c) The board shall extend the one hundred twenty (120) day reemployment requirement contained in subsection (a)(3) or (b)(1) if the board determines that an illness, an injury, or a disability related to the member's military service prevented the member from resuming employment within one hundred twenty (120) days after the member's discharge from military service. However, the board may not extend the deadline beyond thirty (30) months after the member's discharge.

(d) If a member retires and the board subsequently determines that the member is entitled to additional service credit due to the extension of a deadline under subsection (c), the board shall recompute the member's benefit. However, the additional service credit may be used only in the computation of benefits to be paid after the date of the board's determination, and the member is not entitled to a recomputation of benefits received before the date of the board's determination.

(e) Notwithstanding any provision of this section, a member is entitled to service credit and benefits in the amount and to the extent required by the Uniformed Services Employment and Reemployment Rights Act (38 U.S.C. 4301 et seq.).

(f) Subject to the provisions of this section, an active member may purchase not more than two (2) years of service credit for the member's service on active duty in the armed services if the member meets the following conditions:

(1) The member has at least one (1) year of credited service in the fund.

(2) The member serves on active duty in the armed services of the United States for at least six (6) months.

(3) The member receives an honorable discharge from the armed services.

(4) Before the member retires, the member makes contributions to the fund as follows:

(A) Contributions that are equal to the product of the following:

(i) The member's salary at the time the member actually makes a contribution for the service credit.

(ii) A rate, determined by the actuary of the fund, that is based on the age of the member at the time the member actually makes a contribution for service credit and computed to result in a contribution amount that approximates the actuarial present value of the benefit attributable to the service credit purchased.

(iii) The number of years of service credit the member intends to purchase.

(B) Contributions for any accrued interest, at a rate determined by the actuary of the fund, for the period from the member's initial membership in the fund to the date payment is made by the member.

However, a member is entitled to purchase service credit under this subsection only to the extent that service credit is not granted for that time under another provision of this section. At least **before January 1, 2011,** ten (10) **or after December 31, 2010, eight (8)** years of service in Indiana is required before a member may receive a benefit based on service credits purchased under this section. A member who terminates employment before satisfying the eligibility requirements necessary to receive a monthly allowance or receives a monthly allowance for the same service from another tax supported public employee retirement plan other than under the federal Social Security Act may withdraw the purchase amount plus accumulated interest after submitting a properly completed application for a refund to the fund.

(g) The following apply to the purchase of service credit under subsection (f):

(1) The board may allow a member to make periodic payments of the contributions required for the purchase of the service credit. The board shall determine the length of the period during which the payments must be made.

(2) The board may deny an application for the purchase of service credit if the purchase would exceed the limitations under Section 415 of the Internal Revenue Code.

(3) A member may not claim the service credit for purposes of determining eligibility or computing benefits unless the member has made all payments required for the purchase of the service credit.".

Page 7, delete lines 34 through 35.

Page 7, line 36, delete "(c)" and insert "**(b)**".

Page 7, line 36, delete "September" and insert "**October**".

Page 7, line 37, delete "(d) to:" and insert "**(c) to**".

Page 7, line 38, delete "(1)".

Page 7, line 38, after "beneficiary of a" insert "**member)**".

Page 7, delete lines 39 through 40.

Page 7, run in lines 37 through 41.

Page 8, line 3, delete "(d)" and insert "**(c)**".
Page 8, line 4, delete "or a participant".
Page 8, line 5, delete "of the plan".
Page 8, line 5, delete "(c)" and insert "**(b)**".
Page 8, line 7, delete "or"
Page 8, line 8, delete "Participant's".
Page 8, line 16, delete "(e)" and insert "**(d)**".
Page 8, line 17, delete "or a".
Page 8, line 18, delete "participant of the plan".
Page 8, line 19, delete ":".
Page 8, line 20, delete "(1)".
Page 8, line 20, delete "IC 5-10.2-4-4; or" and insert "**IC 5-10.2-4-4,**".
Page 8, delete line 21.
Page 8, run in lines 19 through 22.
Page 8, line 24, delete "(f)" and insert "**(e)**".
Renumber all SECTIONS consecutively.
(Reference is to HB 1546 as printed February 17, 2009.)
and when so amended that said bill do pass.

Committee Vote: yeas 20, nays 0.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Small Business and Economic Development, to which was referred House Bill 1596, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-28-16-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 1.5. As used in this chapter, "nanotechnology" means the sciences and technologies that:**

(1) enable understanding, measuring, manipulating, and manufacturing at the atomic, molecular, and supramolecular levels; and

(2) are aimed at creating materials, devices, and systems with fundamentally new molecular organization, properties, and functions.

SECTION 2. IC 5-28-16-2, AS AMENDED BY P.L.127-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) The Indiana twenty-first century research and technology fund is established within the state treasury to provide grants or loans to support proposals for economic development in one (1) or more of the following areas:

(1) To increase the capacity of Indiana postsecondary educational institutions, Indiana businesses, and Indiana nonprofit corporations and organizations to compete successfully for federal or private research and development funding.

(2) To stimulate the transfer of research and technology into marketable products.

(3) To assist with diversifying Indiana's economy by focusing investment in biomedical research and biotechnology, information technology, **nanotechnology,** development of alternative fuel technologies, development and production of fuel efficient vehicles, and other high technology industry clusters requiring high skill, high wage employees.

(4) To encourage an environment of innovation and cooperation among universities and businesses to promote research activity.

(b) The fund consists of:

(1) appropriations from the general assembly;

(2) proceeds of bonds issued by the Indiana finance authority under IC 4-4-11.4 for deposit in the fund; and

(3) loan repayments.

(c) The corporation shall administer the fund. The following may be paid from money in the fund:

(1) Expenses of administering the fund.

(2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.

(d) Earnings from loans made under this chapter shall be deposited in the fund.

(e) The budget agency shall review each recommendation. The budget agency, after review by the budget committee, may approve, deny, or modify grants and loans recommended by the board. Money in the fund may not be used to provide a recurring source of revenue for the normal operating expenditures of any project.

(f) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the state general fund.

(g) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund to be used exclusively for the purposes of this chapter.

SECTION 3. IC 6-1.1-10-44 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 44. (a) As used in this section, "nanotechnology" means the sciences and technologies that:**

(1) enable understanding, measuring, manipulating, and manufacturing at the atomic, molecular, and supramolecular levels; and

(2) are aimed at creating materials, devices, and systems with fundamentally new molecular organization, properties, and functions.

(b) Nanotechnology equipment is exempt from property taxation if the equipment is:

(1) directly related to nanotechnology research; or

(2) primarily used in a project, program, or business based on nanotechnology.

(c) An owner of nanotechnology equipment who wishes to obtain the exemption provided in subsection (b) shall claim the exemption on the owner's annual personal property return. On the return, the owner shall describe the property and state the assessed value of the property for which the exemption is claimed.

(d) The township or county assessor shall:

(1) review the exemption claim; and

(2) allow or deny the exemption claim in whole or in part.

In making the decision on an exemption claim under this subsection, the township or county assessor shall consider the requirements stated in subsection (b).

(e) A township or county assessor who allows an exemption claim under this section shall reduce the assessed value of the personal property that is subject to the exemption for the year for which the exemption is claimed by the amount of exemption allowed.

(Reference is to HB 1596 as introduced.)
and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

SULLIVAN, Vice Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Small Business and Economic Development, to which was referred House Bill 1597, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, between lines 6 and 7, begin a new line block indented and insert:

"**(5) An area extending outward five hundred (500) feet from the boundaries of a historic district approved in an ordinance adopted under IC 36-7-11-7.**

(6) An area extending outward five hundred (500) feet from the boundaries of a facility that is used primarily to provide family oriented sports, recreational, tourism, and entertainment opportunities, including a facility that:

(A) is used for practice or competitive sporting events; and

(B) serves regional or national markets.".

Page 2, line 7, delete "(5)" and insert "**(7)**".

Page 2, line 8, delete "(4)." and insert "**(6).**".

Page 2, line 11, delete "noncontinuous" and insert "**noncontiguous**".

Page 2, line 13, delete "(c)(5)." and insert "**(c)(7).**".

Page 2, between lines 36 and 37, begin a new paragraph and insert:

"**(e) A redevelopment commission may approve a plan for and designate a sales tax increment financing area in a resolution:**

(1) adopted under section 15 of this chapter establishing a redevelopment project area;

(2) containing an allocation provision described in section 39 of this chapter; or

(3) adopted under section 15 of this chapter designating an economic development area under section 41 of this chapter.".

Page 4, between lines 5 and 6, begin a new paragraph and insert:

"**(f) A redevelopment commission may not exercise the power of eminent domain to acquire property in a type 1 or type 2 sales tax increment financing area.**".

Page 6, line 1, delete "Bonds" and insert "**A redevelopment commission**".

Page 6, line 1, delete "be issued" and insert "**issue bonds**".

Page 6, line 10, after "area." insert "**Savings computed under IC 5-1-5-2 from bonds issued under this subdivision may not be used for a purpose described in IC 5-1-5-18(b)(2). Surplus proceeds or investment earnings from bonds issued under this subdivision may not be used for a purpose described in IC 5-1-13-2(c)(2).**

(5) A redevelopment commission may enter into leases in accordance with section 25.2 of this chapter to defray expenses of carrying out activities under this chapter in sales tax increment financing areas, except that the term of a lease entered into to finance a plan of improvements in a sales tax increment financing area may not exceed thirty (30) years. Lease rentals on leases entered into to finance a plan of improvement in a sales tax increment financing area must be paid from the gross retail incremental amount (as defined in section 55(a) of this chapter) for the sales tax increment financing area.".

Page 10, line 21, delete "noncontinuous" and insert "**noncontiguous**".

Page 12, between lines 14 and 15, begin a new paragraph and insert:

"**(f) The commission may not exercise the power of eminent domain to acquire property in a type 1 or type 2 sales tax increment financing area.**".

Page 13, line 7, after "area." insert "**Savings computed under IC 5-1-5-2 from bonds issued under this subdivision may not be used for a purpose described in IC 5-1-5-18(b)(2). Surplus proceeds or investment earnings from bonds issued under this subdivision may not be used for a purpose described in IC 5-1-13-2(c)(2).**".

(Reference is to HB 1597 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

SULLIVAN, Vice Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1637, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 14, nays 4.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1660, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning transportation and to make an appropriation.

Page 8, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 12. IC 6-3.5-1.1-15, AS AMENDED BY P.L.146-2008, SECTION 329, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) As used in this section, "attributed allocation amount" of a civil taxing unit for a calendar year means the sum of:

(1) the allocation amount of the civil taxing unit for that calendar year; plus

(2) the current ad valorem property tax levy of any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit; plus

(3) in the case of a county, an amount equal to the welfare allocation amount.

The welfare allocation amount is an amount equal to the sum of the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund and, if the county received a certified distribution under this chapter or IC 6-3.5-6 in 2008, the property taxes imposed by the county in 2008 for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund and children with special health care needs county fund.

(b) The part of a county's certified distribution that is to be used as certified shares shall be ~~allocated only among~~ **used to:**

(1) make distributions of certified shares to the county's civil taxing units **under subsection (c); or**

(2) fund the operation or other projects of a regional transportation district as provided in an election, if any, made by a county fiscal body under IC 8-24-13-4.

(c) Each civil taxing unit of a county is entitled to receive a certified share during a calendar year in an amount determined in STEP TWO of the following formula:

STEP ONE: Divide:

(A) the attributed allocation amount of the civil taxing unit during that calendar year; by

(B) the sum of the attributed allocation amounts of all the civil taxing units of the county during that calendar year.

STEP TWO: Multiply the part of the county's certified distribution that is to be used as certified shares **that is not distributed under subsection (b)(2)** by the STEP ONE

amount.

(c) The local government tax control board established by IC 6-1.1-18.5-11 shall determine the attributed levies of civil taxing units that are entitled to receive certified shares during a calendar year. If the ad valorem property tax levy of any special taxing district, authority, board, or other entity is attributed to another civil taxing unit under subsection (a)(2), then the special taxing district, authority, board, or other entity shall not be treated as having an attributed allocation amount of its own. The local government tax control board shall certify the attributed allocation amounts to the appropriate county auditor. The county auditor shall then allocate the certified shares among the civil taxing units of the auditor's county.

(d) Certified shares received by a civil taxing unit shall be treated as additional revenue for the purpose of fixing its budget for the calendar year during which the certified shares will be received. The certified shares may be allocated to or appropriated for any purpose, including property tax relief or a transfer of funds to another civil taxing unit whose levy was attributed to the civil taxing unit in the determination of its attributed allocation amount.".

Page 17, delete lines 4 through 42.

Delete page 18.

Page 19, delete lines 1 through 8.

Page 38, delete lines 41 through 42.

Page 39, line 1, delete "(5)" and insert "(4)".

Page 39, line 6, after "district" insert "**part of the certified distribution that constitutes certified shares, if any, that the county is to receive during the same year under IC 6-3.5-1.1-10 or**".

Page 47, between lines 32 and 33, begin a new paragraph and insert:

"SECTION 23. [EFFECTIVE JULY 1, 2008 (RETROACTIVE)] **(a) The following definitions apply throughout this SECTION:**

(1)"Grant recipient" refers to the following:

(A) Northern Indiana Commuter Transportation District.

(B) Central Indiana Regional Transportation Authority.

(C) Indianapolis Public Transportation Corporation.

(2) "Phase 1 of the West Lake line" means a commuter transportation district project (as defined in IC 8-5-15-1) that extends passenger rail service by the Chicago, South Shore, and South Bend Railroad along a route to Lowell, Indiana.

(b) There is appropriated fifteen million dollars ($15,000,000) to the Northern Indiana Commuter Transportation District from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 for the purpose of relocating rail lines to the west side of the airport in South Bend, Indiana, beginning July 1, 2008, and ending June 30, 2010.

(c) There is appropriated fifteen million dollars ($15,000,000) to the Northern Indiana Commuter Transportation District from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 to conduct preliminary engineering and environmental studies and other activities necessary or appropriate to construct phase 1 of the West Lake line, beginning July 1, 2008, and ending June 30, 2010.

(d) There is appropriated five million dollars ($5,000,000) to the Northern Indiana Commuter Transportation District from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 to make railroad track safety and efficiency improvements in Michigan City, Indiana, beginning July 1, 2008, and ending June 30, 2010.

(e) There is appropriated fifteen million dollars ($15,000,000) to the Central Indiana Regional Transportation Authority from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 to advance the proposed rail transit for the northeast corridor of central Indiana, beginning July 1, 2008, and ending June 30, 2010.

(f) There is appropriated three million dollars ($3,000,000) to the Indianapolis Public Transportation Corporation from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 for the purposes authorized under IC 36-9-4 for a public transportation corporation, beginning July 1, 2008, and ending June 30, 2010.

(g) The sums appropriated to the grant recipients by this SECTION are in addition to all other income and receipts of the grant recipients and shall not be considered in awarding grants to grant recipients under a law other than this SECTION. Notwithstanding IC 4-10-11, IC 4-12-1-14, or any other law, the amount of the appropriations under this SECTION shall be:

(1) allotted for distribution to the grant recipients; and

(2) distributed upon warrant issued by the auditor of state to the appropriate grant recipient;

as soon as practicable after the receipt of Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 without further review or approval by any other state official or body. A grant recipient shall periodically file with the budget agency financial statements showing the uses of the amount distributed to the grant recipient under this SECTION on the schedule, in the form, and with the detail prescribed by the budget agency.

(h) Notwithstanding IC 4-9.1-1-7, IC 4-12-1-12, IC 4-12-1-14.1, IC 4-13-2-23, or any other law, an appropriation under this SECTION and the money appropriated by this SECTION are not subject to transfer, assignment, or reassignment for any use or purpose other than the uses and purposes specified in this SECTION.

(i) This SECTION expires January 1, 2011.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1660 as printed February 17, 2009.)

and when so amended that said bill do pass.

Committee Vote: yeas 14, nays 7.

CRAWFORD, Chair

Report adopted.

OTHER BUSINESS ON THE SPEAKER'S TABLE

Referrals to Ways and Means

The Speaker announced, pursuant to House Rule 127, that House Bills 1596 and 1597 had been referred to the Committee on Ways and Means.

HOUSE MOTION

Mr. Speaker: I move that we suspend House Rule 117.2 for purposes of the filing deadline on Friday, February 20, 2009 and make the deadline one hour. The filing deadline for that day shall be 8:00 a.m.

BOSMA

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Dermody be added as coauthor of House Bill 1058.

CHERRY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Noe be added as coauthor of House Bill 1159.

VAN DENBURGH

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Oxley be added as coauthor of House Bill 1189.

PEARSON

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Pflum be added as coauthor of House Bill 1191.

PEARSON

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Koch be added as coauthor of House Bill 1233.

MOSES

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Lehman be added as coauthor of House Bill 1246.

HERRELL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Avery be added as coauthor of House Bill 1315.

KERSEY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Austin be added as coauthor of House Bill 1323.

DUNCAN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Oxley be added as coauthor of House Bill 1398.

GRUBB

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Stevenson be removed as author, Representative VanDenburgh be substituted as author, and that Representatives Stevenson, Soliday, and Lehe be added as coauthors of House Bill 1551.

STEVENSON

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Bell be added as coauthor of House Bill 1581.

PORTER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Soliday be added as coauthor of House Bill 1596.

RESKE

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Frizzell be added as coauthor of House Bill 1602.

C. BROWN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Oxley be added as coauthor of House Bill 1650.

AUSTIN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Soliday and DeLaney be added as coauthors of House Bill 1660.

AUSTIN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Barnes be added as coauthor of House Bill 1722.

RESKE

Motion prevailed.

On the motion of Representative Bosma, the House adjourned at 5:15 p.m., this nineteenth day of February, 2009, until Friday, February 20, 2009, at 9:00 a.m.

B. PATRICK BAUER
Speaker of the House of Representatives

CLINTON McKAY
Principal Clerk of the House of Representatives