



SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1164 be amended to read as follows:

- 1 Page 3, between lines 31 and 32, begin a new paragraph and insert:
2 "SECTION 3. IC 6-3.6-9-9, AS AMENDED BY P.L.257-2019,
3 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2021]: Sec. 9. The budget agency shall provide the adopting
5 body with an informative summary of the calculations used to
6 determine the certified distribution. The summary of calculations must
7 include:
8 (1) the amount reported on individual income tax returns
9 processed by the department during the previous fiscal year;
10 (2) adjustments for over distributions in prior years;
11 (3) adjustments for clerical or mathematical errors in prior years;
12 **and**
13 (4) adjustments for tax rate changes; **and**
14 **(5) any adjustments made under IC 8-25-3-6(e) through**
15 **IC 8-25-3-6(g) concerning the operations of a public**
16 **transportation project authorized under IC 8-25."**
17 Page 20, between lines 13 and 14 begin a new paragraph and insert:
18 "SECTION 12. IC 8-25-3-6, AS AMENDED BY P.L.197-2016,
19 SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2021]: Sec. 6. (a) The following apply to the funding of a
21 public transportation project:
22 (1) For the first year of operations, an amount must be raised from
23 sources other than taxes, **and** fares, **and state and federal funds**
24 that is equal to at least ten percent (10%) of the revenue that the
25 budget agency certifies that the county will receive in that year
26 from a local income tax imposed to fund the public transportation
27 project.

1 (2) For the second year of operations and each year thereafter, at
 2 least ten percent (10%) of the annual operating expenses of the
 3 public transportation project must be paid from sources other than
 4 taxes, ~~and~~ fares, **and state and federal funds**. For purposes of
 5 this subdivision, operating expenses include only those expenses
 6 incurred in the operation of fixed route services that are
 7 established or expanded as a result of a public transportation
 8 project authorized and funded under this article.

9 The budget agency shall assist the fiscal body of an eligible county in
 10 determining the amount of money that must be raised under
 11 subdivision (1).

12 (b) A county fiscal body or another entity authorized to carry out a
 13 public transportation project under IC 8-25-4 shall raise the revenue
 14 required by subsection (a) for a particular calendar year before the end
 15 of the third quarter of the preceding calendar year. Money raised under
 16 this section must be deposited in the county public transportation fund
 17 established under section 7 of this chapter.

18 (c) If a county fiscal body or other entity fails to raise the revenue
 19 required by subsection (a) before the deadline specified in subsection
 20 (b), the county in which the public transportation project is located is
 21 responsible for paying the difference between:

22 (1) the amount that subsection (a) requires to be raised from
 23 sources other than taxes, ~~and~~ fares, **and state and federal funds**;
 24 minus

25 (2) the amount actually raised from sources other than taxes, ~~and~~
 26 fares, **and state and federal funds**.

27 **(d) The budget committee shall annually review the amount**
 28 **raised from sources other than taxes, fares, and state and federal**
 29 **funds for a public transportation project in eligible counties. The**
 30 **budget agency shall determine whether or not the funding**
 31 **requirements under subsection (a) have been met after the budget**
 32 **committee completes the annual review under this subsection. The**
 33 **budget director shall notify the auditor of state of the results of the**
 34 **annual review and of the budget agency's determination of whether**
 35 **or not the funding requirements under subsection (a) have been**
 36 **met.**

37 **(e) This subsection applies only to Marion County. Beginning**
 38 **January 1, 2021, if, for any year of operation, the fiscal body of**
 39 **Marion County does not pay at least ten percent (10%) of the**
 40 **annual operating expenses of the public transportation project**
 41 **from sources other than taxes, fares, and state and federal funds,**
 42 **then after December 31 of that year the following apply until the**
 43 **fiscal body of Marion County pays the amount required under this**
 44 **section, as determined following the annual budget committee**
 45 **review under subsection (d):**

46 **(1) Beginning after June 30, 2021, the auditor of state shall**

1 **withhold ten percent (10%) from the amount of certified**
 2 **distribution attributable to the additional tax rate imposed in**
 3 **Marion County under IC 6-3.6-7-27 and deposit the amount**
 4 **withheld in the trust account established within the state**
 5 **general fund for Marion County under IC 6-3.6-9-1. The**
 6 **amount withheld is not included in Marion County's**
 7 **supplemental reserve local income tax determination and**
 8 **distribution. Money withheld under this subdivision may not**
 9 **be considered a supplemental distribution under**
 10 **IC 6-3.6-9-15.**

11 **(2) The fiscal body of Marion County may use the county's**
 12 **public transportation fund only for a purpose identified under**
 13 **section 7(e) of this chapter.**

14 **(3) The fiscal body of Marion County may issue bonds only**
 15 **for the purpose identified under IC 8-25-5-3.**

16 **(f) This subsection applies only to Marion County. The ten**
 17 **percent (10%) withheld under subsection (e)(1) from the certified**
 18 **distribution must be withheld in equal amounts from the amount**
 19 **distributed each month under IC 6-3.6-9-12.**

20 **(g) This subsection applies only to Marion County. The budget**
 21 **director shall notify the auditor of state that the auditor of state**
 22 **should cease withholding under subsection (e)(1) once the budget**
 23 **agency determines that Marion County is in compliance with**
 24 **subsection (a). The following calendar year, amounts previously**
 25 **withheld will be distributed to Marion County in equal amounts**
 26 **each month.**

27 **(h) This subsection applies only to Marion County. From**
 28 **January 1, 2016, to December 31, 2020, the fiscal body of Marion**
 29 **County is absolved of the duty to comply with the funding**
 30 **requirements set forth in subsection (a).**

31 **SECTION 13. IC 8-25-3-7, AS ADDED BY P.L.153-2014,**
 32 **SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**
 33 **JULY 1, 2021]: Sec. 7. (a) If the fiscal body of an eligible county**
 34 **imposes taxes to fund a public transportation project, the county**
 35 **treasurer of the eligible county shall establish a county public**
 36 **transportation project fund to receive tax revenues collected for the**
 37 **public transportation project. Money received from a foundation**
 38 **established under IC 8-25-7 or IC 8-25-8 may be deposited into the**
 39 **fund.**

40 **(b) Money in a fund established under subsection (a) at the end of**
 41 **the eligible county's fiscal year remains in the fund. Interest earned by**
 42 **the fund must be deposited in the fund.**

43 **(c) Except as provided in subsections (e) and (f), money deposited**
 44 **in an eligible county's public transportation project fund may be used**
 45 **only to purchase, establish, operate, repair, or maintain a public**
 46 **transportation project authorized under this article. Money in the fund**

1 may be pledged by the fiscal body of the eligible county to the
 2 repayment of bonds issued for purposes of a public transportation
 3 project authorized under this article.

4 (d) The fiscal body of an eligible county may, in the manner
 5 provided by law, appropriate money from the fund to a public
 6 transportation corporation that is authorized to purchase, establish,
 7 operate, repair, or maintain the public transportation project if the
 8 public transportation project is located, either entirely or partially,
 9 within the eligible county.

10 **(e) This subsection applies only to Marion County. Beginning**
 11 **January 1, 2021, if, for any year of operation, the fiscal body of**
 12 **Marion County does not pay at least ten percent (10%) of the**
 13 **annual operating expenses of the public transportation project**
 14 **from sources other than taxes, fares, and state and federal funds as**
 15 **required by section 6 of this chapter, then after December 31 of**
 16 **that year money deposited in Marion County's public**
 17 **transportation fund may be used only for the following purposes**
 18 **until the fiscal body of Marion County pays the amount described**
 19 **under section 6 of this chapter, as determined following the annual**
 20 **budget committee review under section 6(d) of this chapter:**

21 **(1) To operate, repair, or maintain a public transportation**
 22 **project that is:**

23 **(A) authorized under this article; and**

24 **(B) constructed and in service before October 1 in the year**
 25 **that the fiscal body of Marion County does not pay at least**
 26 **ten percent (10%) of the annual operating expenses of the**
 27 **public transportation project from sources other than**
 28 **taxes, fares, and state and federal funds as required by**
 29 **section 6 of this chapter.**

30 **(2) To pay debt service on bonds:**

31 **(A) issued under this article before October 1 in the year**
 32 **that the fiscal body of Marion County does not pay at least**
 33 **ten percent (10%) of the annual operating expenses of the**
 34 **public transportation project from sources other than**
 35 **taxes, fares, and state and federal funds as required by**
 36 **section 6 of this chapter; or**

37 **(B) issued under this article after September 30 of the year**
 38 **that the fiscal body of Marion County does not pay at least**
 39 **ten percent (10%) of the annual operating expenses of the**
 40 **public transportation project from sources other than**
 41 **taxes, fares, and state and federal funds as required by**
 42 **section 6 of this chapter, for the purpose of refunding or**
 43 **refinancing bonds described in clause (A).**

44 **(f) This subsection applies only to Marion County. From**
 45 **January 1, 2016, to December 31, 2020, the fiscal body of Marion**
 46 **County is absolved of the duty to comply with the funding**

1 **requirements of section 6(a) of this chapter.**
2 SECTION 14. IC 8-25-4-11 IS ADDED TO THE INDIANA CODE
3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
4 1, 2021]: **Sec. 11. (a) This section applies only to a public**
5 **transportation project located in Marion County.**
6 **(b) The following are prohibited on Washington Street:**
7 **(1) The use of a dedicated bus rapid transit lane.**
8 **(2) Any other expansion of a public transportation project**
9 **requiring:**
10 **(A) the restriction of vehicular access to a lane of traffic in**
11 **use on Washington Street on January 1, 2021; or**
12 **(B) the removal of a lane of traffic in use on Washington**
13 **Street on January 1, 2021."**
14 Page 23, after line 26, begin a new paragraph and insert:
15 "SECTION 15. IC 36-9-2-2, AS AMENDED BY P.L.84-2016,
16 SECTION 184, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) A unit may establish, aid,
18 maintain, and operate transportation systems.
19 (b) This subsection applies to an eligible county (as defined by
20 IC 8-25-1-4) that establishes a public transportation system through a
21 public transportation project authorized and funded under IC 8-25. The
22 unit must establish fares and charges that cover at least twenty-five
23 percent (25%) of the operating expenses of the public transportation
24 system. For purposes of this subsection, operating expenses include
25 only those expenses incurred in the operation of fixed route services
26 that are established or expanded as a result of a public transportation
27 project authorized and funded under IC 8-25. The unit annually shall
28 report on the unit's compliance with this subsection not later than sixty
29 (60) days after the close of the unit's fiscal year. The report must
30 include information on any fare increases necessary to achieve
31 compliance. The unit shall submit the report to the department of local
32 government finance and make the report available electronically
33 through the Indiana transparency Internet web site established under
34 IC 5-14-3.8.
35 (c) If a unit fails to prepare and disclose the annual report in the
36 manner required by subsection (b), any person subject to a tax
37 described in IC 8-25 may initiate a cause of action in the circuit court,
38 superior court, or probate court of the eligible county to compel the
39 appropriate officials of the unit to prepare and disclose the annual
40 report not later than thirty (30) days after a court order mandating the
41 unit to comply with subsection (b) is issued by the court.
42 **(d) The budget committee shall annually review the amount**
43 **raised from fares and charges under subsection (b) for a public**
44 **transportation project in eligible counties. The budget agency shall**
45 **determine whether or not the funding requirements under**
46 **subsection (b) have been met after the budget committee completes**

1 the annual review under this subsection. The budget director shall
2 notify the auditor of state of the results of the annual review and of
3 the budget agency's determination of whether or not the funding
4 requirements under subsection (b) have been met.

5 (e) This subsection applies only to Marion County. Beginning
6 January 1, 2021, if, for any year of operation, the fiscal body of
7 Marion County does not pay at least twenty-five percent (25%) of
8 the operating expenses of the public transportation project from
9 fares and charges, then after December 31 of that year the
10 following apply until the fiscal body of Marion County pays the
11 amount required under this section, as determined following the
12 annual state budget committee review under subsection (d):

13 (1) Beginning after June 30, 2021, the auditor of state shall
14 withhold twenty-five percent (25%) from the amount of
15 certified distribution attributable to the additional tax rate
16 imposed in Marion County under IC 6-3.6-7-27 and deposit
17 the amount withheld in the trust account established within
18 the state general fund for Marion County under IC 6-3.6-9-1.
19 The amount withheld is not included in Marion County's
20 supplemental reserve local income tax determination and
21 distribution. Money withheld under this subdivision may not
22 be considered a supplemental distribution under
23 IC 6-3.6-9-15.

24 (2) The fiscal body of Marion County may use the county's
25 public transportation fund only for a purpose identified under
26 IC 8-25-3-7(e).

27 (3) The fiscal body of Marion County may issue bonds only
28 for the purpose identified under IC 8-25-5-3.

29 (f) This subsection applies only to Marion County. The
30 twenty-five percent (25%) withheld under subsection (e)(1) from
31 the certified distribution must be withheld in equal amounts from
32 the amount distributed each month under IC 6-3.6-9-12.

33 (g) This subsection applies only to Marion County. The budget
34 director shall notify the auditor of state that the auditor of state
35 should cease withholding under subsection (e)(1) once the budget
36 agency determines that Marion County is in compliance with
37 subsection (b). The following calendar year, amounts previously
38 withheld will be distributed to Marion County in equal amounts
39 each month.

1 **(h) This subsection applies only to Marion County. From**
2 **January 1, 2016, to December 31, 2020, the fiscal body of Marion**
3 **County is absolved of the duty to comply with the funding**
4 **requirements of subsection (b)."**

5 Renumber all SECTIONS consecutively.
 (Reference is to EHB 1164 as printed April 9, 2021.)

Senator FREEMAN