



February 26, 2016

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# ENGROSSED HOUSE BILL No. 1001

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DIGEST OF HB 1001 (Updated February 25, 2016 10:01 am - DI 120)

**Citations Affected:** IC 4-10; IC 6-3.5; IC 8-14; IC 9-29; IC 34-28; IC 35-52; noncode.

**Synopsis:** Road funding. Amends the statute concerning the use of excess state reserves to provide that, to the extent state reserves at the end of the state fiscal year ending June 30, 2016, are greater than 11.5% of general revenue appropriations, those excess reserves shall be transferred to the state highway fund for road and bridge repair. Specifies that this transfer shall be made from the state general fund. Specifies that when making this calculation in 2016, the office of management and budget may consider the balance in the state tuition reserve account when determining the amount of excess reserves. Provides that the current law applies to calculations concerning the use of excess state reserves in 2017 and each odd-numbered year thereafter. Provides that a county may impose the county motor vehicle license excise surtax and the county wheel tax at higher rates if the  
(Continued next page)

**Effective:** Upon passage; July 1, 2016.

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**Soliday, Brown T, Steuerwald,  
Frye R, Sullivan, Braun**

(SENATE SPONSORS — KENLEY, HERSHMAN, ARNOLD J, TALLIAN)

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January 11, 2016, read first time and referred to Committee on Roads and Transportation.  
January 21, 2016, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

January 28, 2016, amended, reported — Do Pass.  
February 1, 2016, read second time, ordered engrossed. Engrossed.  
February 2, 2016, read third time, passed. Yeas 61, nays 36.

SENATE ACTION

February 8, 2016, read first time and referred to Committee on Appropriations.  
February 25, 2016, amended, reported favorably — Do Pass.

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EH 1001—LS 6958/DI 113



county uses a transportation asset management plan approved by the department. Authorizes an eligible municipality to impose a municipal motor vehicle excise surtax and a municipal wheel tax. Provides that funds allocated to counties, cities, and towns from the motor vehicle highway account may also be used for any purpose for which a distribution from the local road and street account may be used. Specifies that the funds allocated to counties, cities, and towns from the motor vehicle highway account and the local road and street account may not be used for the purchase of salt and other ice melting chemicals. Provides that the county motor vehicle license excise surtax, the county wheel tax, the municipal motor vehicle excise surtax, and the municipal wheel tax may be used for the purchase of salt and other ice melting chemicals. Deletes current law that allows funds allocated from the motor vehicle highway account to be used for sprinkling, snow removal, weed and tree cutting, cleaning of highways, painting, the operation and maintenance of traffic signs and signals, safety zones and devices, and law enforcement purposes. Provides that the county motor vehicle license excise surtax, the county wheel tax, the municipal motor vehicle excise surtax, and the municipal wheel tax may be used for these purposes. Specifies that money allocated to cities and towns from the local road and street account may also be used for any purpose for which money from the motor vehicle highway account may be used. Provides that money that may be transferred from the major moves 2020 trust fund to the major moves construction fund in the state fiscal year beginning July 1, 2016, under current law may be transferred instead to the state highway fund and used for preserving and reconstructing existing roads and bridges for which the department is responsible. Provides that in addition to existing transfers of interest from the next generation trust fund, the treasurer of state shall transfer the first \$50,000,000 of interest accruing to the trust after March 15, 2016, to the state highway fund for the purposes of road and bridge repair. Requires a person who registers an electric vehicle to pay a supplemental registration fee of \$100. Requires a person who registers a hybrid vehicle to pay a supplemental registration fee of \$50. Provides that the supplemental fees from electric vehicles and hybrid vehicles shall be distributed to the motor vehicle highway account. Provides the following in the case of infraction judgments imposed in Clark County for toll violations after January 1, 2017: (1) The court shall impose a judgment of not less than \$35 for such an infraction judgment. (2) The funds collected for such an infraction judgment shall be transferred to a dedicated toll revenue fund created as part of the project and may be used only to pay the cost of operating, maintaining, and repairing the tolling system. Establishes the funding Indiana's roads for a stronger, safer tomorrow task force (task force). Requires the task force to develop a long term plan for state highway and major bridge needs that addresses 10 specified points and will achieve the recommended pavement and bridge conditions, will complete the current statewide priority projects, includes Tier 1, 2, and 3 projects, and using the model developed by INDOT, includes sustainable funding mechanisms for the various components of the plan. Appropriates \$500,000 for the local technical assistance program, to be used to: (1) study issues related to the development and operation by local governments of transportation asset management plans and pavement management plans; and (2) assist local governments in developing and operating transportation asset management plans and pavement management plans.



February 26, 2016

Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in *this style type*, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1001

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

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-10-22-1, AS AMENDED BY P.L.213-2015,  
2 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: Sec. 1. (a) After the end of **the state fiscal year**  
4 **beginning July 1, 2015, and ending June 30, 2016, and after the end**  
5 **of** each odd-numbered state fiscal year **thereafter**, the office of  
6 management and budget shall calculate in the customary manner the  
7 total amount of state reserves as of the end of the state fiscal year. The  
8 office of management and budget shall make the calculation not later  
9 **than July 31, 2016, and not later** than July 31 of each odd-numbered  
10 year **thereafter**.

11 (b) The office of management and budget may not consider a  
12 balance in the state tuition reserve account established by  
13 IC 4-12-1-15.7 when making the calculation required by subsection (a)  
14 **in 2017 and in an odd-numbered year thereafter**.

15 SECTION 2. IC 4-10-22-2, AS AMENDED BY P.L.160-2012,

**EH 1001—LS 6958/DI 113**



1 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 UPON PASSAGE]: Sec. 2. If:

3 (1) the total amount of state reserves calculated by the office of  
4 management and budget exceeds:

5 **(A) eleven and five-tenths percent (11.5%) of the general**  
6 **revenue appropriations for the current state fiscal year, in**  
7 **the case of a calculation made in calendar year 2016; or**

8 **(B) twelve and five-tenths percent (12.5%) of the general**  
9 **revenue appropriations for the current state fiscal year, in the**  
10 **case of a calculation made in 2017 and in an odd-numbered**  
11 **year thereafter; and**

12 (2) the accounts payable by the state at the end of the preceding  
13 state fiscal year are not unusually large as a percentage of the total  
14 amount of state reserves (as compared to recent history);

15 the governor shall make a presentation to the state budget committee  
16 regarding the disposition of excess state reserves under section 3 of this  
17 chapter. The presentation must be made not later **than September 30,**  
18 **2016, not later than September 30, 2017, and not later than**  
19 **September 30 of each odd-numbered year thereafter.**

20 SECTION 3. IC 4-10-22-3, AS AMENDED BY P.L.91-2014,  
21 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
22 UPON PASSAGE]: Sec. 3. **(a) This subsection does not apply in**  
23 **calendar year 2016.** If, after completing the presentation to the state  
24 budget committee described in section 2 of this chapter, the amount of  
25 the excess reserves is fifty million dollars (\$50,000,000) or more, the  
26 governor shall do the following:

27 (1) If the year is calendar year 2013, transfer one hundred percent  
28 (100%) of the excess reserves to the pension stabilization fund  
29 established by IC 5-10.4-2-5 for the purposes of the pension  
30 stabilization fund. If the year is calendar year 2014 or **the**  
31 **calendar year is 2017 or an odd-numbered year** thereafter,  
32 transfer fifty percent (50%) of any excess reserves to the pension  
33 stabilization fund established by IC 5-10.4-2-5 for the purposes of  
34 the pension stabilization fund.

35 (2) If the year is calendar year 2014 or **the calendar year is 2017**  
36 **or an odd-numbered year** thereafter, use fifty percent (50%) of  
37 any excess reserves for the purposes of providing an automatic  
38 taxpayer refund under section 4 of this chapter.

39 **(b) This subsection applies in calendar year 2016. If excess**  
40 **reserves exist, and after completing the calculation required in**  
41 **section 1 of this chapter and the presentation to the state budget**  
42 **committee described in section 2 of this chapter, the governor shall**



1 **transfer one hundred percent (100%) of the excess reserves to the**  
 2 **state highway fund for road and bridge repair. This transfer shall**  
 3 **be made from the state general fund.**

4 SECTION 4. IC 6-3.5-4-1, AS AMENDED BY P.L.205-2013,  
 5 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2016]: Sec. 1. ~~As used in~~ **The following definitions apply**  
 7 **throughout** this chapter:

8 (1) "Adopting entity" means either the county council or the  
 9 county income tax council established by IC 6-3.5-6-2 for the  
 10 county, whichever adopts an ordinance to impose a surtax first.

11 (2) "Branch office" means a branch office of the bureau of motor  
 12 vehicles.

13 (3) "County council" includes the city-county council of a county  
 14 that contains a consolidated city of the first class.

15 (4) "Motor vehicle" means a vehicle which is subject to the  
 16 annual license excise tax imposed under IC 6-6-5.

17 (5) "Net annual license excise tax" means the tax due under  
 18 IC 6-6-5 after the application of the adjustments and credits  
 19 provided by that chapter.

20 (6) "Surtax" means the annual license excise surtax imposed by  
 21 an adopting entity under this chapter.

22 (7) **"Transportation asset management plan" includes**  
 23 **planning for drainage systems and rights-of-way that affect**  
 24 **transportation assets.**

25 SECTION 5. IC 6-3.5-4-2, AS AMENDED BY P.L.249-2015,  
 26 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 27 JULY 1, 2016]: Sec. 2. (a) An adopting entity of any county may,  
 28 subject to the limitation imposed by subsection ~~(d)~~; **(f)**, adopt an  
 29 ordinance to impose an annual license excise surtax on each motor  
 30 vehicle listed in subsection ~~(e)~~ **(e)** that is registered in the county.

31 **(b) If a county does not use a transportation asset management**  
 32 **plan approved by the Indiana department of transportation, the**  
 33 **adopting entity of the county may impose the surtax either:**

34 (1) at a rate of not less than two percent (2%) nor more than ten  
 35 percent (10%); or

36 (2) at a specific amount of at least seven dollars and fifty cents  
 37 (\$7.50) and not more than twenty-five dollars (\$25).

38 However, the surtax on a vehicle may not be less than seven dollars and  
 39 fifty cents (\$7.50). The adopting entity shall state the surtax rate or  
 40 amount in the ordinance which imposes the tax.

41 **(c) If a county uses a transportation asset management plan**  
 42 **approved by the Indiana department of transportation, the**



1 **adopting entity of the county may impose the surtax either:**

2 **(1) at a rate of at least two percent (2%) and not more than**  
3 **twenty percent (20%); or**

4 **(2) at a specific amount of at least seven dollars and fifty cents**  
5 **(\$7.50) and not more than fifty dollars (\$50).**

6 **However, the surtax on a vehicle may not be less than seven dollars**  
7 **and fifty cents (\$7.50). The adopting entity shall state the surtax**  
8 **rate or amount in the ordinance that imposes the tax.**

9 ~~(b)~~ **(d)** Subject to the limits and requirements of this section, the  
10 adopting entity may do any of the following:

11 (1) Impose the annual license excise surtax at the same rate or  
12 amount on each motor vehicle that is subject to the tax.

13 (2) Impose the annual license excise surtax on vehicles subject to  
14 the tax at one (1) or more different rates based on the class of  
15 vehicle listed in subsection ~~(c)~~: **(e)**.

16 ~~(c)~~ **(e)** The license excise surtax applies to the following vehicles:

17 (1) Passenger vehicles.

18 (2) Motorcycles.

19 (3) Trucks with a declared gross weight that does not exceed  
20 eleven thousand (11,000) pounds.

21 (4) Motor driven cycles.

22 ~~(d)~~ **(f)** The adopting entity may not adopt an ordinance to impose the  
23 surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to  
24 impose the wheel tax.

25 ~~(e)~~ **(g)** Notwithstanding any other provision of this chapter or  
26 IC 6-3.5-5, ordinances adopted by a county council before June 1,  
27 2013, to impose or change the annual license excise surtax and the  
28 annual wheel tax in the county remain in effect until the ordinances are  
29 amended or repealed under this chapter or IC 6-3.5-5.

30 SECTION 6. IC 6-3.5-4-12 IS AMENDED TO READ AS  
31 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 12. In the case of a  
32 county that contains a consolidated city, the city-county council may  
33 appropriate money derived from the surtax to the department of  
34 transportation established by IC 36-3-5-4 for use by the department  
35 under law **and for the following purposes:**

36 **(1) To purchase salt and other ice melting chemicals.**

37 **(2) To pay the expenses of sprinkling, snow removal, weed and**  
38 **tree cutting related to streets and roads, cleaning of highways,**  
39 **painting, and the operation and maintenance of traffic signs**  
40 **and signals and safety zones and devices.**

41 The city-county council may not appropriate money derived from the  
42 surtax for any other purpose.



1 SECTION 7. IC 6-3.5-4-13 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 13. (a) In the case of a  
 3 county that does not contain a consolidated city of the first class, the  
 4 county treasurer shall deposit the surtax revenues in a fund to be known  
 5 as the " \_\_\_\_\_ County Surtax Fund".

6 (b) Before the twentieth day of each month, the county auditor shall  
 7 allocate the money deposited in the county surtax fund during that  
 8 month among the county and the cities and the towns in the county.  
 9 The county auditor shall allocate the money to counties, cities, and  
 10 towns under IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3).

11 (c) Before the twenty-fifth day of each month, the county treasurer  
 12 shall distribute to the county and the cities and towns in the county the  
 13 money deposited in the county surtax fund during that month. The  
 14 county treasurer shall base the distribution on allocations made by the  
 15 county auditor for that month under subsection (b).

16 (d) A county, city, or town may only use the surtax revenues it  
 17 receives under this section **for the following purposes:**

18 (1) To construct, reconstruct, repair, or maintain streets and roads  
 19 under its jurisdiction.

20 (2) **To purchase salt and other ice melting chemicals.**

21 (3) **To pay the expenses of sprinkling, snow removal, weed and**  
 22 **tree cutting related to streets and roads, cleaning of highways,**  
 23 **painting, and the operation and maintenance of traffic signs**  
 24 **and signals and safety zones and devices.**

25 SECTION 8. IC 6-3.5-5-1, AS AMENDED BY P.L.205-2013,  
 26 SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 27 JULY 1, 2016]: Sec. 1. ~~As used in~~ **The following definitions apply**  
 28 **throughout** this chapter:

29 (1) "Adopting entity" means either the county council or the  
 30 county income tax council established by IC 6-3.5-6-2 for the  
 31 county, whichever adopts an ordinance to impose a wheel tax  
 32 first.

33 (2) "Branch office" means a branch office of the bureau of motor  
 34 vehicles.

35 (3) "Bus" has the meaning set forth in IC 9-13-2-17(a).

36 (4) "Commercial motor vehicle" has the meaning set forth in  
 37 IC 6-6-5.5-1(c).

38 (5) "County council" includes the city-county council of a county  
 39 that contains a consolidated city of the first class.

40 (6) "In-state miles" has the meaning set forth in IC 6-6-5.5-1(i).

41 (7) "Political subdivision" has the meaning set forth in  
 42 IC 34-6-2-110.



- 1 (8) "Recreational vehicle" has the meaning set forth in  
 2 IC 9-13-2-150.
- 3 (9) "Semitrailer" has the meaning set forth in IC 9-13-2-164(a).
- 4 (10) "State agency" has the meaning set forth in IC 34-6-2-141.
- 5 (11) "Tractor" has the meaning set forth in IC 9-13-2-180.
- 6 (12) "Trailer" has the meaning set forth in IC 9-13-2-184(a).
- 7 (13) **"Transportation asset management plan" includes**  
 8 **planning for drainage systems and rights-of-way that affect**  
 9 **transportation assets.**
- 10 (14) "Truck" has the meaning set forth in IC 9-13-2-188(a).
- 11 (15) "Wheel tax" means the tax imposed under this chapter.
- 12 SECTION 9. IC 6-3.5-5-2, AS AMENDED BY P.L.205-2013,  
 13 SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JULY 1, 2016]: Sec. 2. (a) The adopting entity of any county may,  
 15 subject to the limitation imposed by subsection (b), adopt an ordinance  
 16 to impose an annual wheel tax on each vehicle that:
- 17 (1) is included in one (1) of the classes of vehicles listed in  
 18 section 3 of this chapter;
- 19 (2) is not exempt from the wheel tax under section 4 of this  
 20 chapter; and
- 21 (3) is registered in the county.
- 22 (b) The adopting entity of a county may not adopt an ordinance to  
 23 impose the wheel tax unless it concurrently adopts an ordinance under  
 24 IC 6-3.5-4 to impose the annual license excise surtax.
- 25 (c) The adopting entity may impose the wheel tax at a different rate  
 26 for each of the classes of vehicles listed in section 3 of this chapter. In  
 27 addition, the adopting entity may establish different rates within the  
 28 classes of buses, semitrailers, trailers, tractors, and trucks based on  
 29 weight classifications of those vehicles that are established by the  
 30 bureau of motor vehicles for use throughout Indiana. However, the  
 31 wheel tax rate for a particular class or weight classification of vehicles:
- 32 (1) may not be less than five dollars (\$5) and may not exceed  
 33 forty dollars (\$40), **if the county does not use a transportation**  
 34 **asset management plan approved by the Indiana department**  
 35 **of transportation; or**
- 36 (2) **may not be less than five dollars (\$5) and may not exceed**  
 37 **eighty dollars (\$80), if the county uses a transportation asset**  
 38 **management plan approved by the Indiana department of**  
 39 **transportation.**
- 40 The adopting entity shall state the initial wheel tax rates in the  
 41 ordinance that imposes the tax.
- 42 SECTION 10. IC 6-3.5-5-14 IS AMENDED TO READ AS





1 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 14. (a) In the case of a  
 2 county that contains a consolidated city, the city-county council may  
 3 appropriate money derived from the wheel tax:

4 (1) to:

5 (1) (A) the department of transportation established by  
 6 IC 36-3-5-4 for use by the department under law; or

7 (2) (B) an authority established under IC 36-7-23; or

8 (2) for any of the following purposes:

9 (A) The purchase of salt and other ice melting chemicals.

10 (B) The expenses of sprinkling, snow removal, weed and  
 11 tree cutting related to streets and roads, cleaning of  
 12 highways, painting, and the operation and maintenance of  
 13 traffic signs and signals and safety zones and devices.

14 (b) The city-county council may not appropriate money derived  
 15 from the wheel tax for any other purpose.

16 SECTION 11. IC 6-3.5-5-15 IS AMENDED TO READ AS  
 17 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 15. (a) In the case of a  
 18 county that does not contain a consolidated city, the county treasurer  
 19 shall deposit the wheel tax revenues in a fund to be known as the  
 20 "County Wheel Tax Fund".

21 (b) Before the twentieth day of each month, the county auditor shall  
 22 allocate the money deposited in the county wheel tax fund during that  
 23 month among the county and the cities and the towns in the county.  
 24 The county auditor shall allocate the money to counties, cities, and  
 25 towns under IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3).

26 (c) Before the twenty-fifth day of each month, the county treasurer  
 27 shall distribute to the county and the cities and towns in the county the  
 28 money deposited in the county wheel tax fund during that month. The  
 29 county treasurer shall base the distribution on allocations made by the  
 30 county auditor for that month under subsection (b).

31 (d) A county, city, or town may only use the wheel tax revenues it  
 32 receives under this section:

33 (1) to construct, reconstruct, repair, or maintain streets and roads  
 34 under its jurisdiction; or

35 (2) as a contribution to an authority established under IC 36-7-23;

36 or

37 (3) for any of the following purposes:

38 (A) The purchase of salt and other ice melting chemicals.

39 (B) The expenses of sprinkling, snow removal, weed and  
 40 tree cutting related to streets and roads, cleaning of  
 41 highways, painting, and the operation and maintenance of  
 42 traffic signs and signals and safety zones and devices.



1 SECTION 12. IC 6-3.5-10 IS ADDED TO THE INDIANA CODE  
 2 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 3 UPON PASSAGE]:

4 **Chapter 10. Municipal Motor Vehicle License Excise Surtax**

5 **Sec. 1. The following definitions apply throughout this chapter:**

- 6 (1) "Adopting municipality" means an eligible municipality  
 7 that has adopted the surtax.  
 8 (2) "Eligible municipality" means a municipality having a  
 9 population of at least ten thousand (10,000).  
 10 (3) "Fiscal body" has the meaning set forth in IC 36-1-2-6.  
 11 (4) "Fiscal officer" has the meaning set forth in IC 36-1-2-7.  
 12 (5) "Motor vehicle" means a vehicle that is subject to the  
 13 annual license excise tax imposed under IC 6-6-5.  
 14 (6) "Municipality" has the meaning set forth in IC 36-1-2-11.  
 15 (7) "Surtax" means the annual license excise surtax imposed  
 16 by the fiscal body of an eligible municipality under this  
 17 chapter.  
 18 (8) "Transportation asset management plan" includes  
 19 planning for drainage systems and rights-of-way that affect  
 20 transportation assets.

21 **Sec. 2. (a) The fiscal body of an eligible municipality may,**  
 22 **subject to subsections (d) and (e), adopt an ordinance to impose an**  
 23 **annual license excise surtax on each motor vehicle listed in**  
 24 **subsection (c) that is registered in the eligible municipality. The**  
 25 **eligible municipality may impose the surtax at a specific amount**  
 26 **of:**

- 27 (1) at least seven dollars and fifty cents (\$7.50); and  
 28 (2) not more than twenty-five dollars (\$25).

29 **The eligible municipality shall state the surtax rate or amount in**  
 30 **the ordinance that imposes the tax.**

31 **(b) Subject to the limits and requirements of this section, the**  
 32 **fiscal body of an eligible municipality may do any of the following:**

- 33 (1) Impose the annual license excise surtax at the same  
 34 amount on each motor vehicle that is subject to the tax.  
 35 (2) Impose the annual license excise surtax on vehicles subject  
 36 to the tax at one (1) or more different amounts based on the  
 37 class of vehicle listed in subsection (c).

38 **(c) The license excise surtax applies to the following vehicles:**

- 39 (1) Passenger vehicles.  
 40 (2) Motorcycles.  
 41 (3) Trucks with a declared gross weight that does not exceed  
 42 eleven thousand (11,000) pounds.



1           **(4) Motor driven cycles.**

2           **(d) The fiscal body of an eligible municipality may not adopt an**  
 3 **ordinance to impose the surtax unless the fiscal body concurrently**  
 4 **adopts an ordinance under IC 6-3.5-11 to impose the municipal**  
 5 **wheel tax.**

6           **(e) The fiscal body of an eligible municipality may not adopt an**  
 7 **ordinance to impose the surtax unless the eligible municipality uses**  
 8 **a transportation asset management plan approved by the Indiana**  
 9 **department of transportation.**

10          **Sec. 3. If the fiscal body of an eligible municipality adopts an**  
 11 **ordinance imposing the surtax after December 31 but before July**  
 12 **1 of the following year, a motor vehicle is subject to the tax if the**  
 13 **motor vehicle is registered in the adopting municipality after**  
 14 **December 31 of the year in which the ordinance is adopted. If the**  
 15 **fiscal body of an eligible municipality adopts an ordinance**  
 16 **imposing the surtax after June 30 but before the following January**  
 17 **1, a motor vehicle is subject to the tax if the motor vehicle is**  
 18 **registered in the adopting municipality after December 31 of the**  
 19 **year following the year in which the ordinance is adopted.**  
 20 **However, in the first year the surtax is effective, the surtax does**  
 21 **not apply to the registration of a motor vehicle for the registration**  
 22 **year that commenced in the calendar year preceding the year the**  
 23 **surtax is first effective.**

24          **Sec. 4. (a) After January 1 but before July 1 of any year, the**  
 25 **fiscal body of an adopting municipality may, subject to the**  
 26 **limitations imposed by subsection (b), adopt an ordinance to**  
 27 **rescind the surtax. If a fiscal body adopts an ordinance to rescind**  
 28 **the surtax, the surtax does not apply to a motor vehicle registered**  
 29 **after December 31 of the year in which the ordinance is adopted.**

30          **(b) A fiscal body may not adopt an ordinance to rescind the**  
 31 **surtax unless the fiscal body concurrently adopts an ordinance**  
 32 **under IC 6-3.5-11 to rescind the municipal wheel tax.**

33          **Sec. 5. The fiscal body of an adopting municipality may adopt**  
 34 **an ordinance to increase or decrease the surtax amount. The new**  
 35 **surtax amount must be within the range of amounts prescribed by**  
 36 **section 2 of this chapter. A new amount that is established by an**  
 37 **ordinance that is adopted after December 31 but before July 1 of**  
 38 **the following year applies to motor vehicles registered after**  
 39 **December 31 of the year in which the ordinance to change the**  
 40 **amount is adopted. A new amount that is established by an**  
 41 **ordinance that is adopted after June 30 but before January 1 of the**  
 42 **following year applies to motor vehicles registered after December**



1 31 of the year following the year in which the ordinance is adopted.

2 Sec. 6. If the fiscal body of an eligible municipality adopts an  
3 ordinance to impose, rescind, or change the amount of the surtax,  
4 the fiscal body shall send a copy of the ordinance to the  
5 commissioner of the bureau of motor vehicles.

6 Sec. 7. A person may not register a motor vehicle in an adopting  
7 municipality unless the person pays the surtax due, if any, to the  
8 bureau of motor vehicles. The amount of the surtax due equals the  
9 amount established under section 2 of this chapter. The bureau of  
10 motor vehicles shall collect the surtax due, if any, at the time a  
11 motor vehicle is registered.

12 Sec. 8. (a) If a vehicle has been acquired or brought into  
13 Indiana, or for any other reason becomes subject to registration  
14 after the regular annual registration date in the year on or before  
15 which the owner of the vehicle is required under the motor vehicle  
16 registration laws of Indiana to register vehicles, the amount of the  
17 surtax shall be reduced in the same manner as the excise tax is  
18 reduced under IC 6-6-5-7.2.

19 (b) The owner of a vehicle who sells the vehicle in a year in  
20 which the owner has paid the surtax imposed by this chapter is  
21 entitled to receive a credit that is calculated in the same manner  
22 and subject to the same requirements as the credit for the excise  
23 tax under IC 6-6-5-7.2.

24 (c) If the name of the owner of a vehicle is legally changed and  
25 the change has caused a change in the owner's annual registration  
26 date, the surtax liability of the owner shall be adjusted in the same  
27 manner as excise taxes are adjusted under IC 6-6-5-7.2.

28 Sec. 9. On or before the tenth day of the month following the  
29 month in which the surtax is collected, the bureau of motor vehicles  
30 shall remit the surtax to the fiscal officer of the adopting  
31 municipality that imposed the surtax. Concurrently with the  
32 remittance, the bureau of motor vehicles shall file a surtax  
33 collections report prepared on forms prescribed by the state board  
34 of accounts with the fiscal officer of the adopting municipality.

35 Sec. 10. (a) The fiscal officer of an adopting municipality shall  
36 deposit the surtax revenues in a fund to be known as the  
37 "municipal surtax fund".

38 (b) An adopting municipality may use the surtax revenues that  
39 the adopting municipality receives under this section only to  
40 construct, reconstruct, repair, or maintain streets and roads under  
41 the adopting municipality's jurisdiction or for any of the following  
42 purposes:



- 1           (1) To purchase salt and other ice melting chemicals.
- 2           (2) To pay the expenses of sprinkling, snow removal, weed and
- 3           tree cutting related to streets and roads, cleaning of highways,
- 4           painting, and the operation and maintenance of traffic signs
- 5           and signals and safety zones and devices.
- 6           Sec. 11. On or before August 1 of each year, the fiscal officer of
- 7           an adopting municipality shall provide the fiscal body of the
- 8           adopting municipality with an estimate of the surtax revenues to be
- 9           received by the adopting municipality during the next calendar
- 10          year. The adopting municipality shall include the estimated surtax
- 11          revenues in the adopting municipality's budget estimate for the
- 12          calendar year.
- 13          Sec. 12. The department or the bureau of motor vehicles, as
- 14          applicable, may impose a service charge under IC 9-29 for each
- 15          surtax collected under this chapter.
- 16          Sec. 13. (a) The owner of a motor vehicle who knowingly
- 17          registers the vehicle without paying the surtax imposed under this
- 18          chapter with respect to that registration commits a Class B
- 19          misdemeanor.
- 20          (b) An employee of the bureau of motor vehicles who recklessly
- 21          issues a registration on any motor vehicle without collecting the
- 22          surtax imposed under this chapter with respect to that registration
- 23          commits a Class B misdemeanor.
- 24          SECTION 13. IC 6-3.5-11 IS ADDED TO THE INDIANA CODE
- 25          AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 26          UPON PASSAGE]:
- 27          Chapter 11. Municipal Wheel Tax
- 28          Sec. 1. The following definitions apply throughout this chapter:
- 29               (1) "Adopting municipality" means an eligible municipality
- 30               that has adopted the wheel tax.
- 31               (2) "Branch office" means a branch office of the bureau of
- 32               motor vehicles.
- 33               (3) "Bus" has the meaning set forth in IC 9-13-2-17(a).
- 34               (4) "Commercial motor vehicle" has the meaning set forth in
- 35               IC 6-6-5.5-1(c).
- 36               (5) "Department" refers to the department of state revenue.
- 37               (6) "Eligible municipality" means a municipality having a
- 38               population of at least ten thousand (10,000).
- 39               (7) "In-state miles" has the meaning set forth in
- 40               IC 6-6-5.5-1(i).
- 41               (8) "Political subdivision" has the meaning set forth in
- 42               IC 34-6-2-110.



- 1 (9) "Recreational vehicle" has the meaning set forth in  
 2 IC 9-13-2-150.
- 3 (10) "Semitrailer" has the meaning set forth in  
 4 IC 9-13-2-164(a).
- 5 (11) "State agency" has the meaning set forth in  
 6 IC 34-6-2-141.
- 7 (12) "Tractor" has the meaning set forth in IC 9-13-2-180.
- 8 (13) "Trailer" has the meaning set forth in IC 9-13-2-184(a).
- 9 (14) "Transportation asset management plan" includes  
 10 planning for drainage systems and rights-of-way that affect  
 11 transportation assets.
- 12 (15) "Truck" has the meaning set forth in IC 9-13-2-188(a).
- 13 (16) "Wheel tax" means the tax imposed under this chapter.
- 14 **Sec. 2. (a) The fiscal body of an eligible municipality may,**  
 15 **subject to subsections (b) and (c), adopt an ordinance to impose an**  
 16 **annual wheel tax on each vehicle that:**
- 17 (1) is included in one (1) of the classes of vehicles listed in  
 18 section 3 of this chapter;
- 19 (2) is not exempt from the wheel tax under section 4 of this  
 20 chapter; and
- 21 (3) is registered in the eligible municipality.
- 22 (b) The fiscal body of an eligible municipality may not adopt an  
 23 ordinance to impose the wheel tax unless the fiscal body  
 24 concurrently adopts an ordinance under IC 6-3.5-10 to impose the  
 25 annual license excise surtax.
- 26 (c) The fiscal body of an eligible municipality may not adopt an  
 27 ordinance to impose the wheel tax unless the eligible municipality  
 28 uses a transportation asset management plan approved by the  
 29 Indiana department of transportation.
- 30 (d) The fiscal body of an eligible municipality may impose the  
 31 wheel tax at a different rate for each of the classes of vehicles listed  
 32 in section 3 of this chapter. In addition, the fiscal body may  
 33 establish different rates within the classes of buses, recreational  
 34 vehicles, semitrailers, trailers, tractors, and trucks based on weight  
 35 classifications of those vehicles that are established by the bureau  
 36 of motor vehicles for use throughout Indiana. However, the wheel  
 37 tax rate for a particular class or weight classification of vehicles  
 38 may not be less than five dollars (\$5) and may not exceed forty  
 39 dollars (\$40). The fiscal body shall state the initial wheel tax rates  
 40 in the ordinance that imposes the tax.
- 41 **Sec. 3. The wheel tax applies to the following classes of vehicles:**  
 42 (1) Buses.



- 1           (2) Recreational vehicles.  
 2           (3) Semitrailers.  
 3           (4) Tractors.  
 4           (5) Trailers.  
 5           (6) Trucks.
- 6           **Sec. 4. A vehicle is exempt from the wheel tax imposed under**  
 7 **this chapter if the vehicle is:**  
 8           (1) owned by the state;  
 9           (2) owned by a state agency of the state;  
 10          (3) owned by a political subdivision of the state;  
 11          (4) subject to the annual license excise surtax imposed under  
 12          IC 6-3.5-10; or  
 13          (5) a bus owned and operated by a religious or nonprofit  
 14          youth organization and used to transport persons to religious  
 15          services or for the benefit of its members.
- 16          **Sec. 5. If the fiscal body of an eligible municipality adopts an**  
 17 **ordinance imposing the wheel tax after December 31 but before**  
 18 **July 1 of the following year, a vehicle described in section 2(a) of**  
 19 **this chapter is subject to the tax if the vehicle is registered in the**  
 20 **adopting municipality after December 31 of the year in which the**  
 21 **ordinance is adopted. If a fiscal body adopts an ordinance imposing**  
 22 **the wheel tax after June 30 but before the following January 1, a**  
 23 **vehicle described in section 2(a) of this chapter is subject to the tax**  
 24 **if the vehicle is registered in the adopting municipality after**  
 25 **December 31 of the year following the year in which the ordinance**  
 26 **is adopted. However, in the first year the tax is effective, the tax**  
 27 **does not apply to the registration of a motor vehicle for the**  
 28 **registration year that commenced in the calendar year preceding**  
 29 **the year the tax is first effective.**
- 30          **Sec. 6. (a) After January 1 but before July 1 of any year, the**  
 31 **fiscal body of an adopting municipality may, subject to the**  
 32 **limitations imposed by subsection (b), adopt an ordinance to**  
 33 **rescind the wheel tax. If a fiscal body adopts an ordinance to**  
 34 **rescind the wheel tax, the wheel tax does not apply to a vehicle**  
 35 **registered after December 31 of the year the ordinance is adopted.**
- 36          **(b) The fiscal body of an adopting municipality may not adopt**  
 37 **an ordinance to rescind the wheel tax unless the fiscal body**  
 38 **concurrently adopts an ordinance under IC 6-3.5-10 to rescind the**  
 39 **annual license excise surtax.**
- 40          **Sec. 7. The fiscal body of an adopting municipality may adopt**  
 41 **an ordinance to increase or decrease the wheel tax rates. The new**  
 42 **wheel tax rates must be within the range of rates prescribed by**



1 section 2 of this chapter. New rates that are established by an  
 2 ordinance that is adopted after December 31 but before July 1 of  
 3 the following year apply to vehicles registered after December 31  
 4 of the year in which the ordinance to change the rates is adopted.  
 5 New rates that are established by an ordinance that is adopted  
 6 after June 30 but before July 1 of the following year apply to motor  
 7 vehicles registered after December 31 of the year following the  
 8 year in which the ordinance is adopted.

9 Sec. 8. If the fiscal body of an eligible municipality adopts an  
 10 ordinance to impose, rescind, or change the rates of the wheel tax,  
 11 the fiscal body shall send a copy of the ordinance to the  
 12 commissioner of the bureau of motor vehicles.

13 Sec. 9. (a) Every owner of a vehicle for which the wheel tax has  
 14 been paid for the owner's registration year is entitled to a credit if  
 15 during that registration year the owner sells the vehicle. The  
 16 amount of the credit equals the wheel tax paid by the owner for the  
 17 vehicle that was sold. The credit may be applied by the owner only  
 18 against the wheel tax owed for a vehicle that is purchased during  
 19 the same registration year.

20 (b) An owner of a vehicle is not entitled to a refund of any part  
 21 of a credit that is not used under this section.

22 Sec. 10. A person may not register a vehicle in an adopting  
 23 municipality unless the person pays the wheel tax due, if any, to the  
 24 bureau of motor vehicles. The amount of the wheel tax due is based  
 25 on the wheel tax rate, for that class of vehicle, in effect at the time  
 26 of registration. The bureau of motor vehicles shall collect the wheel  
 27 tax due, if any, at the time a motor vehicle is registered. The  
 28 department or the bureau of motor vehicles, as applicable, may  
 29 impose a service charge under IC 9-29 for each wheel tax collection  
 30 made under this chapter.

31 Sec. 11. (a) An owner of one (1) or more commercial vehicles  
 32 paying an apportioned registration to the state under the  
 33 International Registration Plan that is required to pay a wheel tax  
 34 shall pay an apportioned wheel tax calculated by dividing in-state  
 35 actual miles by total fleet miles generated during the preceding  
 36 year. If in-state miles are estimated for purposes of proportional  
 37 registration, these miles are divided by total actual and estimated  
 38 fleet miles. The apportioned wheel tax under this section shall be  
 39 paid at the same time and in the same manner as the commercial  
 40 motor vehicle excise tax under IC 6-6-5.5.

41 (b) A voucher from the department showing payment of the  
 42 wheel tax may be accepted by the bureau of motor vehicles instead





1 of the payment required under section 10 of this chapter.

2       **Sec. 12.** On or before the tenth day of the month following the  
3 month in which the wheel tax is collected, the bureau of motor  
4 vehicles shall remit the wheel tax to the fiscal officer of the  
5 adopting municipality that imposed the wheel tax. Concurrently  
6 with the remittance, the bureau shall file a wheel tax collections  
7 report prepared on forms prescribed by the state board of  
8 accounts with the fiscal officer of the adopting municipality.

9       **Sec. 13. (a)** If the wheel tax is collected directly by the bureau of  
10 motor vehicles instead of at a branch office, the commissioner of  
11 the bureau shall:

12           (1) remit the wheel tax to, and file a wheel tax collections  
13 report with, the fiscal officer of the appropriate municipality;  
14 and

15           (2) file a wheel tax collections report with the fiscal officer of  
16 the appropriate municipality;

17 in the same manner and at the same time that a branch office  
18 manager is required to remit and report under section 12 of this  
19 chapter.

20       **(b)** If the wheel tax for a commercial vehicle is collected directly  
21 by the department, the commissioner of the department shall:

22           (1) remit the wheel tax to, and file a wheel tax collections  
23 report with, the fiscal officer of the appropriate municipality;  
24 and

25           (2) file a wheel tax collections report with the fiscal officer of  
26 the appropriate municipality;

27 in the same manner and at the same time that a branch office  
28 manager is required to remit and report under section 12 of this  
29 chapter.

30       **Sec. 14. (a)** The fiscal officer of an adopting municipality shall  
31 deposit the wheel tax revenues in a fund to be known as the  
32 "municipal wheel tax fund".

33       **(b)** An adopting municipality may use the wheel tax revenues  
34 that the municipality receives under this section only:

35           (1) to construct, reconstruct, repair, or maintain streets and  
36 roads under its jurisdiction;

37           (2) as a contribution to an authority established under  
38 IC 36-7-23; or

39           (3) for any of the following purposes:

40                   (A) To purchase salt and other ice melting chemicals.

41                   (B) To pay the expenses of sprinkling, snow removal, weed  
42 and tree cutting related to streets and roads, cleaning of



1 highways, painting, and the operation and maintenance of  
 2 traffic signs and signals and safety zones and devices.

3 **Sec. 15. On or before August 1 of each year, the fiscal officer of**  
 4 **an adopting municipality shall provide the fiscal body of the**  
 5 **adopting municipality with an estimate of the wheel tax revenues**  
 6 **to be received by the adopting municipality during the next**  
 7 **calendar year. The adopting municipality shall include the**  
 8 **estimated wheel tax revenues in the adopting municipality's budget**  
 9 **estimate for the calendar year.**

10 **Sec. 16. (a) The owner of a vehicle who knowingly registers the**  
 11 **vehicle without paying the wheel tax imposed under this chapter**  
 12 **with respect to that registration commits a Class B misdemeanor.**

13 **(b) An employee of the bureau of motor vehicles who recklessly**  
 14 **issues a registration on any vehicle without collecting the wheel tax**  
 15 **imposed under this chapter with respect to that registration**  
 16 **commits a Class B misdemeanor.**

17 SECTION 14. IC 8-14-1-4 IS AMENDED TO READ AS  
 18 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. The funds allocated  
 19 to the respective counties of the state from the motor vehicle highway  
 20 account shall annually be budgeted as provided by law, and, when  
 21 distributed shall be used for construction, reconstruction and  
 22 maintenance of the highways of the respective counties, including  
 23 highways which traverse the streets of incorporated towns, the cost of  
 24 the repair and maintenance of which prior to the tenth day of  
 25 September, 1932, was paid from the county gravel road repair fund  
 26 excepting where the department is charged by law with the  
 27 maintenance or construction of any such highway so traversing such  
 28 streets. Any surplus existing in the funds at the end of the year shall  
 29 thereafter continue as a part of the highway funds of the said counties  
 30 and shall be rebudgeted and used as already provided in this chapter.  
 31 The purchase, rental and repair of highway equipment, painting of  
 32 bridges and acquisition of grounds for erection and construction of  
 33 storage buildings, acquisition of rights of way and the purchase of fuel  
 34 oil, and supplies necessary to the performance of construction,  
 35 reconstruction and maintenance of highways, shall be paid out of the  
 36 highway account of the various counties. **The funds allocated to**  
 37 **counties from the motor vehicle highway account may also be used**  
 38 **for any purpose for which a distribution from the local road and**  
 39 **street account under IC 8-14-2 may be used. The funds allocated**  
 40 **to counties from the motor vehicle highway account may not be**  
 41 **used for the purchase of salt and other ice melting chemicals.**

42 SECTION 15. IC 8-14-1-5 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) All funds  
 2 allocated to cities and towns from the motor vehicle highway account  
 3 shall be used by the cities and towns for the construction,  
 4 reconstruction, repair, maintenance, **and** oiling ~~sprinkling, snow~~  
 5 ~~removal, weed and tree cutting and cleaning~~ of their highways as  
 6 herein defined, and including also any curbs, and the city's or town's  
 7 share of the cost of the separation of the grades of crossing of public  
 8 highways and railroads, the purchase or lease of highway construction  
 9 and maintenance equipment, **and** the purchase **and** erection ~~operation~~  
 10 ~~and maintenance~~ of traffic signs and signals. ~~and safety zones and~~  
 11 ~~devices; and the painting of structures, objects, surfaces in highways~~  
 12 ~~for purposes of safety and traffic regulation.~~ **However, funds allocated**  
 13 **to cities and towns from the motor vehicle highway account may**  
 14 **not be used for the purchase of salt and other ice melting**  
 15 **chemicals.** All of such funds shall be budgeted as provided by law.

16 (b) ~~In addition to purposes for which funds may be expended under~~  
 17 ~~subsections (a) and (c) of this section; monies allocated to cities and~~  
 18 ~~towns under this chapter may be expended for law enforcement~~  
 19 ~~purposes; subject to the following limitations:~~

20 (1) For cities and towns with a population of less than five  
 21 thousand (5,000); no more than fifteen percent (15%) may be  
 22 spent for law enforcement purposes.

23 (2) For cities and towns other than those specified in subdivision  
 24 (1) of this subsection; no more than ten percent (10%) may be  
 25 spent for law enforcement purposes.

26 (c) ~~(b)~~ In addition to purposes for which funds may be expended  
 27 under ~~subsections subsection~~ (a), ~~and (b)~~ of this section; monies  
 28 allocated to cities and towns under this chapter may be expended for  
 29 the payment of principal and interest on bonds sold primarily to finance  
 30 road, street, or thoroughfare projects. **The funds allocated to cities**  
 31 **and towns from the motor vehicle highway account may also be**  
 32 **used for any purpose for which a distribution from the local road**  
 33 **and street account under IC 8-14-2 may be used.**

34 SECTION 16. IC 8-14-2-5 IS AMENDED TO READ AS  
 35 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) **Except as**  
 36 **provided in section 5.5 of this chapter,** money from the local road  
 37 and street account shall be used exclusively by the cities, towns, and  
 38 counties for:

39 (1) engineering, land acquisition, construction, resurfacing,  
 40 maintenance, restoration, or rehabilitation of both local and  
 41 arterial road and street systems;

42 (2) the payment of principal and interest on bonds sold primarily



1 to finance road, street, or thoroughfare projects;

2 (3) any local costs required to undertake a recreational or  
3 reservoir road project under IC 8-23-5; or

4 (4) the purchase, rental, or repair of highway equipment.

5 **(b) Money from the local road and street account may not be**  
6 **used for the purchase of salt and other ice melting chemicals.**

7 SECTION 17. IC 8-14-2-5.5 IS ADDED TO THE INDIANA CODE  
8 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
9 1, 2016]: **Sec. 5.5. In addition to the purposes described in section**  
10 **5 of this chapter, money from the local road and street account**  
11 **allocated to cities and towns may be used for any purpose for**  
12 **which money from the motor vehicle highway account under**  
13 **IC 8-14-1 may be used.**

14 SECTION 18. IC 8-14-15-10, AS ADDED BY P.L.47-2006,  
15 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
16 UPON PASSAGE]: Sec. 10. (a) The principal of the trust may not be  
17 diminished during the term of the trust.

18 (b) The income that accrues from investment of the trust shall be  
19 deposited in the trust.

20 (c) **Except as provided in subsection (d)**, on March 15, 2011,  
21 March 15, 2016, **March 15, 2021**, and March 15 every five (5) years  
22 thereafter, the treasurer of state shall transfer all interest accruing to the  
23 trust to the major moves construction fund.

24 **(d) In addition to transfers on the dates set forth in subsection**  
25 **(c), the treasurer of state shall transfer the first fifty million dollars**  
26 **(\$50,000,000) of interest accruing to the trust after March 15, 2016,**  
27 **to the state highway fund for the purpose of road and bridge**  
28 **repair.**

29 SECTION 19. IC 8-14-8-4 IS AMENDED TO READ AS  
30 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. (a) A qualified  
31 county which:

32 (1) has adopted the county motor vehicle excise surtax under  
33 IC 6-3.5-4 and the county wheel tax under IC 6-3.5-5;

34 (2) is imposing the county motor vehicle excise surtax at:

35 (A) the maximum allowable rate, if the qualified county sets  
36 a county motor vehicle excise surtax rate under  
37 ~~IC 6-3.5-4-2(a)(1)~~; **IC 6-3.5-4-2(b)(1) or IC 6-3.5-4-2(c)(1)**;  
38 or

39 (B) ~~an the maximum allowable amount, of not less than~~  
40 ~~twenty dollars (\$20)~~; if the qualified county sets the county  
41 motor vehicle excise surtax at a specific amount under  
42 ~~IC 6-3.5-4-2(a)(2)~~; **IC 6-3.5-4-2(b)(2) or IC 6-3.5-4-2(c)(2)**;



1 and  
 2 (3) has not issued bonds under IC 8-14-9;  
 3 may apply to the Indiana department of transportation for a loan from  
 4 the distressed road fund. At the time of the application, the county shall  
 5 notify the department of local government finance that it has made the  
 6 application.

7 (b) The application must include, at a minimum:  
 8 (1) a map depicting all roads and streets in the system of the  
 9 applicant; and  
 10 (2) a copy of that county's proposed program of work covering the  
 11 current and the immediately following calendar year.

12 SECTION 20. IC 8-14-14.1-5, AS ADDED BY P.L.213-2015,  
 13 SECTION 102, IS AMENDED TO READ AS FOLLOWS  
 14 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) After review by the  
 15 budget committee, the budget agency may, after June 30, 2015, and  
 16 before July 1, 2016, direct the auditor of state to transfer not more than  
 17 one hundred million dollars (\$100,000,000) to the fund from the state  
 18 general fund. If the budget agency directs the auditor of state to make  
 19 such a transfer, the auditor of state shall transfer to the fund the amount  
 20 determined by the budget agency. There is appropriated from the state  
 21 general fund an amount sufficient to make the transfer under this  
 22 subsection.

23 (b) After review by the budget committee, the budget agency may,  
 24 after June 30, 2016, and before July 1, 2017, direct the auditor of state  
 25 to transfer not more than one hundred million dollars (\$100,000,000)  
 26 to the fund from the state general fund. If the budget agency directs the  
 27 auditor of state to make such a transfer, the auditor of state shall  
 28 transfer to the fund the amount determined by the budget agency. There  
 29 is appropriated from the state general fund an amount sufficient to  
 30 make the transfer under this subsection.

31 (c) Notwithstanding section 3(e) of this chapter, if one (1) or more  
 32 transfers under subsection (a) ~~or (b)~~ are made to the fund, the budget  
 33 agency may after review by the budget committee transfer from the  
 34 fund to the major moves construction fund established by IC 8-14-14-5  
 35 an amount equal to the lesser of:

36 (1) ~~two~~ **one** hundred million dollars ~~(\$200,000,000);~~  
 37 **(\$100,000,000);** or  
 38 (2) the total amount of any transfers under subsection (a) ~~or (b)~~  
 39 that are made to the fund.

40 (d) Money that is transferred as described in subsection (c) may be  
 41 used for any purpose of the major moves construction fund.

42 (e) **Notwithstanding section 3(e) of this chapter, if one (1) or**



1 more transfers under subsection (b) are made to the fund, the  
 2 budget agency may after review by the budget committee transfer  
 3 from the fund to the state highway fund created by IC 8-23-9-54 an  
 4 amount equal to the lesser of:

- 5 (1) one hundred million dollars (\$100,000,000); or
- 6 (2) the total amount of any transfers under subsection (b) that
- 7 are made to the fund.

8 (f) Money that is transferred as described in subsection (e) may  
 9 be used only for preserving or reconstructing existing state  
 10 highways and bridges for which the department is responsible.

11 SECTION 21. IC 9-29-5-47 IS ADDED TO THE INDIANA CODE  
 12 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
 13 UPON PASSAGE]: Sec. 47. (a) The fee in this section applies after  
 14 December 31, 2016, to each electric vehicle that is required to be  
 15 registered under IC 9-18.

16 (b) As used in this section, "electric vehicle" means a vehicle  
 17 that:

- 18 (1) is propelled by an electric motor powered by a battery or
- 19 other electrical device incorporated into the vehicle; and
- 20 (2) is not propelled by an engine powered by the combustion
- 21 of a hydrocarbon fuel, including gasoline, diesel, propane, or
- 22 liquid natural gas.

23 (c) In addition to any other fee required to register an electric  
 24 vehicle under this chapter, the supplemental fee to register an  
 25 electric vehicle is one hundred dollars (\$100). The fee shall be  
 26 distributed to the motor vehicle highway account established under  
 27 IC 8-14-1.

28 SECTION 22. 33. IC 9-29-5-48.5 IS ADDED TO THE INDIANA  
 29 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 30 [EFFECTIVE UPON PASSAGE]: Sec. 48.5. (a) The fee in this  
 31 section applies after December 31, 2016, to each hybrid vehicle that  
 32 is required to be registered under IC 9-18.

33 (b) As used in this section, "hybrid vehicle" means a vehicle  
 34 that:

- 35 (1) draws propulsion energy from both an internal
- 36 combustion engine and an energy storage device; and
- 37 (2) employs a regenerative braking system to recover waste
- 38 energy to charge the energy storage device that is providing
- 39 propulsion energy.

40 (c) In addition to any other fee required to register a hybrid  
 41 vehicle under this chapter, the supplemental fee to register a  
 42 hybrid vehicle is fifty dollars (\$50). The fee shall be distributed to



1 **the motor vehicle highway account established under IC 8-14-1.**

2 SECTION 23. IC 34-28-5-4, AS AMENDED BY P.L.106-2010,  
3 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2016]: Sec. 4. (a) A judgment of up to ten thousand dollars  
5 (\$10,000) may be entered for a violation constituting a Class A  
6 infraction.

7 (b) A judgment of up to one thousand dollars (\$1,000) may be  
8 entered for a violation constituting a Class B infraction.

9 (c) Except as provided in subsection (f), a judgment of up to five  
10 hundred dollars (\$500) may be entered for a violation constituting a  
11 Class C infraction.

12 (d) A judgment of up to twenty-five dollars (\$25) may be entered for  
13 a violation constituting a Class D infraction.

14 (e) Subject to section 1(i) of this chapter, a judgment:

15 (1) up to the amount requested in the complaint; and

16 (2) not exceeding any limitation under IC 36-1-3-8;

17 may be entered for an ordinance violation.

18 (f) Except as provided in subsections (g) and (h), a person who has  
19 admitted to a moving violation constituting a Class C infraction,  
20 pleaded nolo contendere to a moving violation constituting a Class C  
21 infraction, or has been found by a court to have committed a moving  
22 violation constituting a Class C infraction may not be required to pay  
23 more than the following amounts for the violation:

24 (1) If, before the appearance date specified in the summons and  
25 complaint, the person mails or delivers an admission of the  
26 moving violation or a plea of nolo contendere to the moving  
27 violation, the person may not be required to pay any amount,  
28 except court costs and a judgment that does not exceed thirty-five  
29 dollars and fifty cents (\$35.50).

30 (2) If the person admits the moving violation or enters a plea of  
31 nolo contendere to the moving violation on the appearance date  
32 specified in the summons and complaint, the person may not be  
33 required to pay any amount, except court costs and a judgment  
34 that does not exceed thirty-five dollars and fifty cents (\$35.50).

35 (3) If the person contests the moving violation in court and is  
36 found to have committed the moving violation, the person may  
37 not be required to pay any amount, except:

38 (A) court costs and a judgment that does not exceed thirty-five  
39 dollars and fifty cents (\$35.50) if, in the five (5) years before  
40 the appearance date specified in the summons and complaint,  
41 the person was not found by a court in the county to have  
42 committed a moving violation;



1 (B) court costs and a judgment that does not exceed two  
 2 hundred fifty dollars and fifty cents (\$250.50) if, in the five (5)  
 3 years before the appearance date specified in the summons and  
 4 complaint, the person was found by a court in the county to  
 5 have committed one (1) moving violation; and  
 6 (C) court costs and a judgment that does not exceed five  
 7 hundred dollars (\$500) if, in the five (5) years before the  
 8 appearance date specified in the summons and complaint, the  
 9 person was found by a court in the county to have committed  
 10 two (2) or more moving violations.

11 In a proceeding under subdivision (3), the court may require the person  
 12 to submit an affidavit or sworn testimony concerning whether, in the  
 13 five (5) years before the appearance date specified in the summons and  
 14 complaint, the person has been found by a court to have committed one  
 15 (1) or more moving violations.

16 (g) The amounts described in subsection (f) are in addition to any  
 17 amount that a person may be required to pay for attending a defensive  
 18 driving school program.

19 (h) This subsection applies only to infraction judgments imposed in  
 20 Marion County for traffic violations after December 31, 2010.  
 21 Subsection (f) applies to an infraction judgment described in this  
 22 subsection. However, a court shall impose a judgment of not less than  
 23 thirty-five dollars (\$35) for an infraction judgment that is entered in  
 24 Marion County. These funds shall be transferred to a dedicated fund in  
 25 accordance with section 5 of this chapter.

26 **(i) This subsection applies only to infraction judgments imposed**  
 27 **in Clark County for toll violations after January 1, 2017.**  
 28 **Subsection (f) applies to an infraction judgment described in this**  
 29 **subsection. However, a court shall impose a judgment of not less**  
 30 **than thirty-five dollars (\$35) for an infraction judgment that is**  
 31 **entered in Clark County. These funds shall be transferred to a**  
 32 **dedicated fund in accordance with section 5(f) of this chapter.**

33 SECTION 24. IC 34-28-5-5, AS AMENDED BY P.L.106-2010,  
 34 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 35 JULY 1, 2016]: Sec. 5. (a) A defendant against whom a judgment is  
 36 entered is liable for costs. Costs are part of the judgment and may not  
 37 be suspended except under IC 9-30-3-12. Whenever a judgment is  
 38 entered against a person for the commission of two (2) or more civil  
 39 violations (infractions or ordinance violations), the court may waive the  
 40 person's liability for costs for all but one (1) of the violations. This  
 41 subsection does not apply to judgments entered for violations  
 42 constituting:





- 1 (1) Class D infractions; or  
 2 (2) Class C infractions for unlawfully parking in a space reserved  
 3 for a person with a physical disability under IC 5-16-9-5 or  
 4 IC 5-16-9-8.  
 5 (b) If a judgment is entered:  
 6 (1) for a violation constituting:  
 7 (A) a Class D infraction; or  
 8 (B) a Class C infraction for unlawfully parking in a space  
 9 reserved for a person with a physical disability under  
 10 IC 5-16-9-5 or IC 5-16-9-8; or  
 11 (2) in favor of the defendant in any case;  
 12 the defendant is not liable for costs.  
 13 (c) Except for costs, and except as provided in ~~subsection~~  
 14 **subsections (e) and (f)** and IC 9-21-5-11(e), the funds collected as  
 15 judgments for violations of statutes defining infractions shall be  
 16 deposited in the state general fund.  
 17 (d) A judgment may be entered against a defendant under this  
 18 section or section 4 of this chapter upon a finding by the court that the  
 19 defendant:  
 20 (1) violated:  
 21 (A) a statute defining an infraction; or  
 22 (B) an ordinance; or  
 23 (2) consents to entry of judgment for the plaintiff upon a pleading  
 24 of nolo contendere for a moving traffic violation.  
 25 (e) The funds collected for an infraction judgment described in  
 26 section 4(h) of this chapter shall be transferred to a dedicated county  
 27 fund. The money in the dedicated county fund does not revert to the  
 28 county general fund or state general fund and may be used, after  
 29 appropriation by the county fiscal body, only for the following  
 30 purposes:  
 31 (1) To pay compensation of commissioners appointed under  
 32 IC 33-33-49.  
 33 (2) To pay costs of the county's guardian ad litem program.  
 34 **(f) The funds collected for an infraction judgment described in**  
 35 **section 4(i) of this chapter shall be transferred to a dedicated toll**  
 36 **revenue fund created as part of a project under IC 8-15.5-1-2(b)(4).**  
 37 **The money in the fund does not revert to the county general fund**  
 38 **or state general fund and may be used only to pay the cost of**  
 39 **operating, maintaining, and repairing the tolling system for a**  
 40 **project under IC 8-15.5-1-2(b)(4), including major repairs,**  
 41 **replacements, and improvements.**  
 42 SECTION 25. IC 35-52-6-24.7 IS ADDED TO THE INDIANA



1 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 2 [EFFECTIVE UPON PASSAGE]: **Sec. 24.7. IC 6-3.5-10-13 defines**  
 3 **crimes concerning the municipal motor vehicle license excise**  
 4 **surtax.**

5 SECTION 26. IC 35-52-6-24.8 IS ADDED TO THE INDIANA  
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 7 [EFFECTIVE UPON PASSAGE]: **Sec. 24.8. IC 6-3.5-11-16 defines**  
 8 **crimes concerning the municipal wheel tax.**

9 SECTION 27. [EFFECTIVE UPON PASSAGE] (a) **As used in this**  
 10 **SECTION, "task force" refers to the funding Indiana's roads for**  
 11 **a stronger, safer tomorrow task force established by subsection (b).**

12 (b) **The funding Indiana's roads for a stronger, safer tomorrow**  
 13 **task force is established.**

14 (c) **The task force consists of the following members:**

15 (1) **The chairperson of the house of representatives ways and**  
 16 **means committee.**

17 (2) **The chairperson of the senate appropriations committee.**

18 (3) **The chairperson of the senate tax and fiscal policy**  
 19 **committee.**

20 (4) **The chairperson of the house of representatives roads and**  
 21 **transportation committee.**

22 (5) **The chairperson of the senate homeland security and**  
 23 **transportation committee.**

24 (6) **The director of the office of management and budget.**

25 (7) **The public finance director of the Indiana finance**  
 26 **authority.**

27 (8) **One (1) member who represents counties and is appointed**  
 28 **by the governor after considering the recommendation of the**  
 29 **Association of Indiana Counties.**

30 (9) **One (1) member who represents municipalities and is**  
 31 **appointed by the governor after considering the**  
 32 **recommendation of the Indiana Association of Cities and**  
 33 **Towns.**

34 (10) **One (1) member appointed by the governor after**  
 35 **considering the recommendation of the Build Indiana**  
 36 **Council.**

37 (11) **One (1) member appointed by the governor who is an**  
 38 **employee of the Indiana department of transportation.**

39 (12) **One (1) member of the general assembly who is a**  
 40 **member of the minority party of the house of representatives**  
 41 **and is appointed by the speaker of the house of**  
 42 **representatives in consultation with the minority leader of the**



- 1           house of representatives.
- 2           **(13) One (1) member of the general assembly who is a**
- 3           **member of the minority party of the senate and is appointed**
- 4           **by the president pro tempore of the senate in consultation**
- 5           **with the minority leader of the senate.**
- 6           **(d) The budget committee shall select a member of the task force**
- 7           **to serve as the chairperson of the task force.**
- 8           **(e) The task force shall develop a long term plan for state**
- 9           **highway and major bridge needs that addresses the ten (10) points**
- 10           **described in subsection (g) and:**
- 11           **(1) will achieve the recommended pavement and bridge**
- 12           **conditions;**
- 13           **(2) will complete the current statewide priority projects;**
- 14           **(3) includes Tier 1, 2, and 3 projects; and**
- 15           **(4) using the model developed by the Indiana department of**
- 16           **transportation, includes sustainable funding mechanisms for**
- 17           **the various components of the plan.**
- 18           **(f) The long term plan for state highway and major bridge needs**
- 19           **must provide a basis for consideration for the state biennial budget**
- 20           **enacted for the biennium beginning July 1, 2017.**
- 21           **(g) The long term plan for state highway and major bridge**
- 22           **needs must include the following ten (10) points:**
- 23           **(1) Estimates of the costs of major projects, including a study**
- 24           **of which projects can be done within current revenue streams**
- 25           **and which projects may require additional funding.**
- 26           **(2) The identification of projects for which a public/private**
- 27           **partnership or tolling might be viable, with planning to verify**
- 28           **and confirm these public/private partnership or tolling**
- 29           **opportunities.**
- 30           **(3) The identification of resources for annual maintenance**
- 31           **need, concentrating first on available user fees and attempting**
- 32           **to secure stable and predictable funding sources. This must**
- 33           **include a determination of whether additional resources must**
- 34           **be pursued and what form of resource is most appropriate for**
- 35           **each project.**
- 36           **(4) A review of the state's debt situation and the development**
- 37           **of a plan to maintain a strong financial position for the state.**
- 38           **This must include consideration of whether a fee or tax could**
- 39           **be associated with the life of a bond for an individual project,**
- 40           **with the fee or tax then expiring by law upon payment of the**
- 41           **bond.**
- 42           **(5) The evaluation of the state system of taxes, fees, and**



- 1 registration fees, and the equity of payments by different
- 2 groups of users of transportation assets. This must include an
- 3 evaluation of the overall reliability over time of the receipt of
- 4 revenue from these sources.
- 5 (6) A review of the fuel tax system, including such concepts as
- 6 indexing tax rates, changing tax rates, and the appropriate
- 7 collection points for these taxes.
- 8 (7) The ensuring that the projects listed in the plan are
- 9 priority items that should be carried out, and confirming that
- 10 these projects bring value to citizens either through access
- 11 and safety needs or for economic development of Indiana as
- 12 a whole.
- 13 (8) A review of the impact and advisability of dedicating some
- 14 part of state sales tax to roads and road maintenance.
- 15 (9) An analysis of how collective purchasing agreements could
- 16 be developed to share and reduce costs across the system of
- 17 state and local governments.
- 18 (10) A presentation of the plan and recommendations to the
- 19 budget committee before January 1, 2017.
- 20 (h) The legislative services agency shall provide staff support to
- 21 the task force.
- 22 (i) The meetings of the task force must be held in public as
- 23 provided under IC 5-14-1.5. However, the task force is permitted
- 24 to meet in executive session as determined necessary by the
- 25 chairperson of the task force.
- 26 (j) This SECTION expires June 30, 2017.
- 27 SECTION 28. [EFFECTIVE JULY 1, 2016] (a) There is
- 28 appropriated for the state fiscal year beginning July 1, 2016, and
- 29 ending June 30, 2017, five hundred thousand dollars (\$500,000)
- 30 from the motor vehicle highway account to the Indiana department
- 31 of transportation. The funds appropriated under this SECTION
- 32 shall be used by the local technical assistance program established
- 33 under IC 8-23-2-5(a)(6) to do the following:
- 34 (1) Studying issues related to the development and operation
- 35 by local governments of transportation asset management
- 36 plans and pavement management plans.
- 37 (2) Assisting local governments in Indiana in developing and
- 38 operating transportation asset management plans and
- 39 pavement management plans.
- 40 (b) The calculation of the other distributions to be made from
- 41 the motor vehicle highway account under IC 8-14-1-3 in the state
- 42 fiscal year beginning July 1, 2016, and ending June 30, 2017, shall



1     **be made after deducting the amount appropriated under this**  
2     **SECTION.**

3         **(c) This SECTION expires June 30, 2017.**

4         **SECTION 29. An emergency is declared for this act.**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1001, 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 37, strike "forty-eight" and insert "**thirty-eight**".

Page 4, line 38, delete "(99.848%)" and insert "**(99.838%)**".

Page 4, line 42, delete "(2)".

Page 4, line 42, strike "Twenty-nine thousandths of one percent (0.029%)" and insert "**(2) Thirty-one thousandths of one percent (0.031%)**".

Page 5, line 3, strike "twenty-three" and insert "**thirty-one**".

Page 5, line 4, strike "(0.123%)" and insert "**(0.131%)**".

Page 26, between lines 13 and 14, begin a new paragraph and insert:  
"SECTION 22. IC 6-7-1-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 0.5. Notwithstanding section 14 of this chapter, revenue stamps that are:**

**(1) paid for before July 1, 2016, at the tax rate imposed by section 12 of this chapter as in effect on June 30, 2016; and**

**(2) in the possession of a distributor on June 30, 2016;**

**may be used after June 30, 2016. No additional tax imposed by section 12 of this chapter must be remitted to the department with respect to revenue stamps described in this section."**

Page 27, line 14, delete "Thirty-six hundredths percent" and insert "**Three hundred sixty-two thousandths percent (0.362%)**".

Page 27, line 15, delete "(0.36%)".

Page 27, line 17, delete "sixteen" and insert "**one hundred fifty-eight thousandths percent (34.158%)**".

Page 27, line 18, delete "hundredths percent (34.16%)".

Page 30, line 17, delete "69." and insert "**70.**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1001 as introduced.)

SOLIDAY

Committee Vote: yeas 8, nays 5.

EH 1001—LS 6958/DI 113



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1001, 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 7 and 8, begin a new paragraph and insert:

"SECTION 7. IC 6-3-2-1, AS AMENDED BY P.L.80-2014, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. (a) Each taxable year, a tax at the following rate of adjusted gross income is imposed upon the adjusted gross income of every resident person, and on that part of the adjusted gross income derived from sources within Indiana of every nonresident person:

- (1) For taxable years beginning before January 1, 2015, three and four-tenths percent (3.4%).
- (2) For taxable years beginning after December 31, 2014, and before January 1, 2017, three and three-tenths percent (3.3%).
- (3) For taxable years beginning ~~after December 31, 2016,~~ **in calendar year 2017 or 2018**, three and twenty-three hundredths percent (3.23%).
- (4) For taxable years beginning in calendar year 2019 or 2020, three and nineteen hundredths percent (3.19%).**
- (5) For taxable years beginning in calendar year 2021 or 2022, three and fifteen hundredths percent (3.15%).**
- (6) For taxable years beginning in calendar year 2023 or 2024, three and one-tenth percent (3.1%).**
- (7) For taxable years beginning after calendar year 2024, three and six hundredths percent (3.06%).**

(b) Except as provided in section 1.5 of this chapter, each taxable year, a tax at the following rate of adjusted gross income is imposed on that part of the adjusted gross income derived from sources within Indiana of every corporation:

- (1) Before July 1, 2012, eight and five-tenths percent (8.5%).
- (2) After June 30, 2012, and before July 1, 2013, eight percent (8.0%).
- (3) After June 30, 2013, and before July 1, 2014, seven and five-tenths percent (7.5%).
- (4) After June 30, 2014, and before July 1, 2015, seven percent (7.0%).
- (5) After June 30, 2015, and before July 1, 2016, six and five-tenths percent (6.5%).
- (6) After June 30, 2016, and before July 1, 2017, six and twenty-five hundredths percent (6.25%).

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(7) After June 30, 2017, and before July 1, 2018, six percent (6.0%).

(8) After June 30, 2018, and before July 1, 2019, five and seventy-five hundredths percent (5.75%).

(9) After June 30, 2019, and before July 1, 2020, five and five-tenths percent (5.5%).

(10) After June 30, 2020, and before July 1, 2021, five and twenty-five hundredths percent (5.25%).

(11) After June 30, 2021, four and nine-tenths percent (4.9%).

(c) If for any taxable year a taxpayer is subject to different tax rates under subsection (b), the taxpayer's tax rate for that taxable year is the rate determined in the last STEP of the following STEPS:

STEP ONE: Multiply the number of months in the taxpayer's taxable year that precede the month the rate changed by the rate in effect before the rate change.

STEP TWO: Multiply the number of months in the taxpayer's taxable year that follow the month before the rate changed by the rate in effect after the rate change.

STEP THREE: Divide the sum of the amounts determined under STEPS ONE and TWO by twelve (12).

However, the rate determined under this subsection shall be rounded to the nearest one-hundredth of one percent (0.01%).

SECTION 8. IC 6-3.5-4-1, AS AMENDED BY P.L.205-2013, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1 2016]: Sec. 1. ~~As used in~~ **The following definitions apply throughout** this chapter:

(1) "Adopting entity" means either the county council or the county income tax council established by IC 6-3.5-6-2 for the county, whichever adopts an ordinance to impose a surtax first.

(2) "Branch office" means a branch office of the bureau of motor vehicles.

(3) "County council" includes the city-county council of a county that contains a consolidated city of the first class.

(4) "Motor vehicle" means a vehicle which is subject to the annual license excise tax imposed under IC 6-6-5.

(5) "Net annual license excise tax" means the tax due under IC 6-6-5 after the application of the adjustments and credits provided by that chapter.

(6) "Surtax" means the annual license excise surtax imposed by an adopting entity under this chapter.

(7) "Transportation asset management plan" has the meaning set forth in IC 8-23-30-1."





Page 6, between lines 12 and 13, begin a new paragraph and insert:  
 "SECTION 9. IC 6-3.5-5-1, AS AMENDED BY P.L.205-2013, SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. **As used in The following definitions apply throughout** this chapter:

- (1) "Adopting entity" means either the county council or the county income tax council established by IC 6-3.5-6-2 for the county, whichever adopts an ordinance to impose a wheel tax first.
- (2) "Branch office" means a branch office of the bureau of motor vehicles.
- (3) "Bus" has the meaning set forth in IC 9-13-2-17(a).
- (4) "Commercial motor vehicle" has the meaning set forth in IC 6-6-5.5-1(c).
- (5) "County council" includes the city-county council of a county that contains a consolidated city of the first class.
- (6) "In-state miles" has the meaning set forth in IC 6-6-5.5-1(i).
- (7) "Political subdivision" has the meaning set forth in IC 34-6-2-110.
- (8) "Recreational vehicle" has the meaning set forth in IC 9-13-2-150.
- (9) "Semitrailer" has the meaning set forth in IC 9-13-2-164(a).
- (10) "State agency" has the meaning set forth in IC 34-6-2-141.
- (11) "Tractor" has the meaning set forth in IC 9-13-2-180.
- (12) "Trailer" has the meaning set forth in IC 9-13-2-184(a).
- (13) **"Transportation asset management plan" has the meaning set forth in IC 8-23-30-1.**
- (14) "Truck" has the meaning set forth in IC 9-13-2-188(a).
- (15) "Wheel tax" means the tax imposed under this chapter."

Page 7, between lines 17 and 18, begin a new line block indented and insert:

- "(8) "Transportation asset management plan" has the meaning set forth in IC 8-23-30-1."**

Page 10, between lines 41 and 42, begin a new line block indented and insert:

- "(14) "Transportation asset management plan" has the meaning set forth in IC 8-23-30-1."**

Page 10, line 42, delete "(14)" and insert "(15)".

Page 11, line 1, delete "(15)" and insert "(16)".

Page 26, delete lines 16 through 25, begin a new paragraph and insert:

"SECTION 22. IC 6-7-1-0.4, AS ADDED BY P.L.220-2011,



SECTION 161, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 0.4. **(a)** Notwithstanding section 14 of this chapter, revenue stamps paid for before July 1, 2007, and in the possession of a distributor may be used after June 30, 2007, only if the full amount of the tax imposed by section 12 of this chapter, as effective after June 30, 2007, and as amended by P.L.218-2007, is remitted to the department under the procedures prescribed by the department.

**(b) Notwithstanding section 14 of this chapter, revenue stamps paid for before July 1, 2016, and in the possession of a distributor may be used after June 30, 2016, only if the full amount of the tax imposed by section 12 of this chapter, as effective after June 30, 2016, and as amended by HEA 1001-2016, is remitted to the department under the procedures prescribed by the department."**

Page 27, line 20, delete "JULY 1, 2016]" and insert "AUGUST 1, 2016]:".

Page 31, between lines 30 and 31, begin a new line block indented and insert:

**"(4) "Transportation asset management plan" includes planning for drainage systems and rights-of-way that affect transportation assets."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1001 as printed January 22, 2016.)

BROWN T

Committee Vote: yeas 14, nays 7.

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#### COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred House Bill No. 1001, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 15, begin a new paragraph and insert:

**"SECTION 1. IC 4-10-22-1, AS AMENDED BY P.L.213-2015, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) After the end of the state fiscal year beginning July 1, 2015, and ending June 30, 2016, and after the end of each odd-numbered state fiscal year thereafter, the office of**

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management and budget shall calculate in the customary manner the total amount of state reserves as of the end of the state fiscal year. The office of management and budget shall make the calculation not later **than July 31, 2016, and not later** than July 31 of each odd-numbered year **thereafter**.

(b) The office of management and budget may not consider a balance in the state tuition reserve account established by IC 4-12-1-15.7 when making the calculation required by subsection (a) **in 2017 and in an odd-numbered year thereafter**.

SECTION 2. IC 4-10-22-2, AS AMENDED BY P.L.160-2012, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. If:

(1) the total amount of state reserves calculated by the office of management and budget exceeds:

**(A) eleven and five-tenths percent (11.5%) of the general revenue appropriations for the current state fiscal year, in the case of a calculation made in calendar year 2016; or**

**(B) twelve and five-tenths percent (12.5%) of the general revenue appropriations for the current state fiscal year, in the case of a calculation made in 2017 and in an odd-numbered year thereafter; and**

(2) the accounts payable by the state at the end of the preceding state fiscal year are not unusually large as a percentage of the total amount of state reserves (as compared to recent history);

the governor shall make a presentation to the state budget committee regarding the disposition of excess state reserves under section 3 of this chapter. The presentation must be made not later **than September 30, 2016, not later than September 30, 2017, and not later than** September 30 of each odd-numbered year **thereafter**.

SECTION 3. IC 4-10-22-3, AS AMENDED BY P.L.91-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **(a) This subsection does not apply in calendar year 2016.** If, after completing the presentation to the state budget committee described in section 2 of this chapter, the amount of the excess reserves is fifty million dollars (\$50,000,000) or more, the governor shall do the following:

(1) If the year is calendar year 2013, transfer one hundred percent (100%) of the excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund. If the year is calendar year 2014 or **the calendar year is 2017 or an odd-numbered year** thereafter, transfer fifty percent (50%) of any excess reserves to the pension



stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund.

(2) If the year is calendar year 2014 or **the calendar year is 2017 or an odd-numbered year** thereafter, use fifty percent (50%) of any excess reserves for the purposes of providing an automatic taxpayer refund under section 4 of this chapter.

**(b) This subsection applies in calendar year 2016. If excess reserves exist, and after completing the calculation required in section 1 of this chapter and the presentation to the state budget committee described in section 2 of this chapter, the governor shall transfer one hundred percent (100%) of the excess reserves to the state highway fund for road and bridge repair. This transfer shall be made from the state general fund."**

Delete pages 2 through 5.

Page 6, delete lines 1 through 23.

Page 6, line 42, delete "has the meaning" and insert **"includes planning for drainage systems and rights-of-way that affect transportation assets."**

Page 7, delete line 1.

Page 8, between lines 6 and 7, begin a new paragraph and insert:

"SECTION 6. IC 6-3.5-4-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 12. In the case of a county that contains a consolidated city, the city-county council may appropriate money derived from the surtax to the department of transportation established by IC 36-3-5-4 for use by the department under law **and for the following purposes:**

**(1) To purchase salt and other ice melting chemicals.**

**(2) To pay the expenses of sprinkling, snow removal, weed and tree cutting related to streets and roads, cleaning of highways, painting, and the operation and maintenance of traffic signs and signals and safety zones and devices.**

The city-county council may not appropriate money derived from the surtax for any other purpose.

SECTION 7. IC 6-3.5-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 13. (a) In the case of a county that does not contain a consolidated city of the first class, the county treasurer shall deposit the surtax revenues in a fund to be known as the "           County Surtax Fund".

(b) Before the twentieth day of each month, the county auditor shall allocate the money deposited in the county surtax fund during that month among the county and the cities and the towns in the county. The county auditor shall allocate the money to counties, cities, and



towns under IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3).

(c) Before the twenty-fifth day of each month, the county treasurer shall distribute to the county and the cities and towns in the county the money deposited in the county surtax fund during that month. The county treasurer shall base the distribution on allocations made by the county auditor for that month under subsection (b).

(d) A county, city, or town may only use the surtax revenues it receives under this section **for the following purposes:**

**(1) To construct, reconstruct, repair, or maintain streets and roads under its jurisdiction.**

**(2) To purchase salt and other ice melting chemicals.**

**(3) To pay the expenses of sprinkling, snow removal, weed and tree cutting related to streets and roads, cleaning of highways, painting, and the operation and maintenance of traffic signs and signals and safety zones and devices."**

Page 8, line 31, delete "has the" and insert "**includes planning for drainage systems and rights-of-way that affect transportation assets."**

Page 8, delete line 32.

Page 9, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 10. IC 6-3.5-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 14. (a) In the case of a county that contains a consolidated city, the city-county council may appropriate money derived from the wheel tax:

**(1) to:**

**(1) to:**  
**(1) to:** **(A)** the department of transportation established by IC 36-3-5-4 for use by the department under law; or

**(2) (B)** an authority established under IC 36-7-23; **or**

**(2) for any of the following purposes:**

**(A) The purchase of salt and other ice melting chemicals.**

**(B) The expenses of sprinkling, snow removal, weed and tree cutting related to streets and roads, cleaning of highways, painting, and the operation and maintenance of traffic signs and signals and safety zones and devices.**

(b) The city-county council may not appropriate money derived from the wheel tax for any other purpose.

SECTION 11. IC 6-3.5-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 15. (a) In the case of a county that does not contain a consolidated city, the county treasurer shall deposit the wheel tax revenues in a fund to be known as the "County Wheel Tax Fund".

(b) Before the twentieth day of each month, the county auditor shall



allocate the money deposited in the county wheel tax fund during that month among the county and the cities and the towns in the county. The county auditor shall allocate the money to counties, cities, and towns under IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3).

(c) Before the twenty-fifth day of each month, the county treasurer shall distribute to the county and the cities and towns in the county the money deposited in the county wheel tax fund during that month. The county treasurer shall base the distribution on allocations made by the county auditor for that month under subsection (b).

(d) A county, city, or town may only use the wheel tax revenues it receives under this section:

(1) to construct, reconstruct, repair, or maintain streets and roads under its jurisdiction; ~~or~~

(2) as a contribution to an authority established under IC 36-7-23;  
or

**(3) for any of the following purposes:**

**(A) The purchase of salt and other ice melting chemicals.**

**(B) The expenses of sprinkling, snow removal, weed and tree cutting related to streets and roads, cleaning of highways, painting, and the operation and maintenance of traffic signs and signals and safety zones and devices."**

Page 9, line 31, delete "twenty thousand (20,000)." and insert "**ten thousand (10,000).**".

Page 9, line 40, delete "has the meaning" and insert "**includes planning for drainage systems and rights-of-way that affect transportation assets.**".

Page 9, delete line 41.

Page 12, line 20, after "jurisdiction" delete "." and insert "**or for any of the following purposes:**

**(1) To purchase salt and other ice melting chemicals.**

**(2) To pay the expenses of sprinkling, snow removal, weed and tree cutting related to streets and roads, cleaning of highways, painting, and the operation and maintenance of traffic signs and signals and safety zones and devices."**

Page 13, line 11, delete "twenty thousand (20,000)." and insert "**ten thousand (10,000).**".

Page 13, line 24, delete "has the" and insert "**includes planning for drainage systems and rights-of-way that affect transportation assets.**".

Page 13, delete line 25.

Page 17, line 8, delete "or".

Page 17, line 10, after "IC 36-7-23" delete "." and insert "; **or**



**(3) for any of the following purposes:****(A) To purchase salt and other ice melting chemicals.****(B) To pay the expenses of sprinkling, snow removal, weed and tree cutting related to streets and roads, cleaning of highways, painting, and the operation and maintenance of traffic signs and signals and safety zones and devices."**

Page 17, delete lines 25 through 42, begin a new paragraph and insert:

"SECTION 14. IC 8-14-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. The funds allocated to the respective counties of the state from the motor vehicle highway account shall annually be budgeted as provided by law, and, when distributed shall be used for construction, reconstruction and maintenance of the highways of the respective counties, including highways which traverse the streets of incorporated towns, the cost of the repair and maintenance of which prior to the tenth day of September, 1932, was paid from the county gravel road repair fund excepting where the department is charged by law with the maintenance or construction of any such highway so traversing such streets. Any surplus existing in the funds at the end of the year shall thereafter continue as a part of the highway funds of the said counties and shall be rebudgeted and used as already provided in this chapter. The purchase, rental and repair of highway equipment, painting of bridges and acquisition of grounds for erection and construction of storage buildings, acquisition of rights of way and the purchase of fuel oil, and supplies necessary to the performance of construction, reconstruction and maintenance of highways, shall be paid out of the highway account of the various counties. **The funds allocated to counties from the motor vehicle highway account may also be used for any purpose for which a distribution from the local road and street account under IC 8-14-2 may be used. The funds allocated to counties from the motor vehicle highway account may not be used for the purchase of salt and other ice melting chemicals.**

SECTION 15. IC 8-14-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) All funds allocated to cities and towns from the motor vehicle highway account shall be used by the cities and towns for the construction, reconstruction, repair, maintenance, **and** oiling ~~sprinkling, snow removal, weed and tree cutting and cleaning~~ of their highways as herein defined, and including also any curbs, and the city's or town's share of the cost of the separation of the grades of crossing of public highways and railroads, the purchase or lease of highway construction



and maintenance equipment, **and** the purchase **and** erection operation **and** maintenance of traffic signs and signals. **and** safety zones and devices; and the painting of structures, objects, surfaces in highways for purposes of safety and traffic regulation. **However, funds allocated to cities and towns from the motor vehicle highway account may not be used for the purchase of salt and other ice melting chemicals.** All of such funds shall be budgeted as provided by law.

(b) In addition to purposes for which funds may be expended under subsections (a) and (c) of this section, monies allocated to cities and towns under this chapter may be expended for law enforcement purposes, subject to the following limitations:

(1) For cities and towns with a population of less than five thousand (5,000), no more than fifteen percent (15%) may be spent for law enforcement purposes:

(2) For cities and towns other than those specified in subdivision (1) of this subsection, no more than ten percent (10%) may be spent for law enforcement purposes:

(c) **(b)** In addition to purposes for which funds may be expended under subsections **subsection (a), and (b) of this section;** monies allocated to cities and towns under this chapter may be expended for the payment of principal and interest on bonds sold primarily to finance road, street, or thoroughfare projects. **The funds allocated to cities and towns from the motor vehicle highway account may also be used for any purpose for which a distribution from the local road and street account under IC 8-14-2 may be used.**

SECTION 16. IC 8-14-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. **(a) Except as provided in section 5.5 of this chapter,** money from the local road and street account shall be used exclusively by the cities, towns, and counties for:

(1) engineering, land acquisition, construction, resurfacing, maintenance, restoration, or rehabilitation of both local and arterial road and street systems;

(2) the payment of principal and interest on bonds sold primarily to finance road, street, or thoroughfare projects;

(3) any local costs required to undertake a recreational or reservoir road project under IC 8-23-5; or

(4) the purchase, rental, or repair of highway equipment.

**(b) Money from the local road and street account may not be used for the purchase of salt and other ice melting chemicals.**

SECTION 17. IC 8-14-2-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY





1, 2016]: **Sec. 5.5. In addition to the purposes described in section 5 of this chapter, money from the local road and street account allocated to cities and towns may be used for any purpose for which money from the motor vehicle highway account under IC 8-14-1 may be used.**

SECTION 18. IC 8-14-15-10, AS ADDED BY P.L.47-2006, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) The principal of the trust may not be diminished during the term of the trust.

(b) The income that accrues from investment of the trust shall be deposited in the trust.

(c) **Except as provided in subsection (d),** on March 15, 2011, March 15, 2016, **March 15, 2021,** and March 15 every five (5) years thereafter, the treasurer of state shall transfer all interest accruing to the trust to the major moves construction fund.

**(d) In addition to transfers on the dates set forth in subsection (c), the treasurer of state shall transfer the first fifty million dollars (\$50,000,000) of interest accruing to the trust after March 15, 2016, to the state highway fund for the purpose of road and bridge repair."**

Delete pages 18 through 30.

Page 31, delete lines 1 through 25.

Page 33, delete lines 8 through 42.

Delete page 34.

Page 35, delete lines 1 through 15.

Page 35, line 31, delete "local road and bridge matching grant fund" and insert "**motor vehicle highway account established under IC 8-14-1.**"

Page 35, delete line 32, begin a new paragraph and insert:

"SECTION 33. IC 9-29-5-48.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 48.5. (a) The fee in this section applies after December 31, 2016, to each hybrid vehicle that is required to be registered under IC 9-18.**

**(b) As used in this section, "hybrid vehicle" means a vehicle that:**

- (1) draws propulsion energy from both an internal combustion engine and an energy storage device; and**
- (2) employs a regenerative braking system to recover waste energy to charge the energy storage device that is providing propulsion energy.**

**(c) In addition to any other fee required to register a hybrid**



**vehicle under this chapter, the supplemental fee to register a hybrid vehicle is fifty dollars (\$50). The fee shall be distributed to the motor vehicle highway account established under IC 8-14-1.**

SECTION 34. IC 34-28-5-4, AS AMENDED BY P.L.106-2010, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. (a) A judgment of up to ten thousand dollars (\$10,000) may be entered for a violation constituting a Class A infraction.

(b) A judgment of up to one thousand dollars (\$1,000) may be entered for a violation constituting a Class B infraction.

(c) Except as provided in subsection (f), a judgment of up to five hundred dollars (\$500) may be entered for a violation constituting a Class C infraction.

(d) A judgment of up to twenty-five dollars (\$25) may be entered for a violation constituting a Class D infraction.

(e) Subject to section 1(i) of this chapter, a judgment:

- (1) up to the amount requested in the complaint; and
- (2) not exceeding any limitation under IC 36-1-3-8;

may be entered for an ordinance violation.

(f) Except as provided in subsections (g) and (h), a person who has admitted to a moving violation constituting a Class C infraction, pleaded nolo contendere to a moving violation constituting a Class C infraction, or has been found by a court to have committed a moving violation constituting a Class C infraction may not be required to pay more than the following amounts for the violation:

(1) If, before the appearance date specified in the summons and complaint, the person mails or delivers an admission of the moving violation or a plea of nolo contendere to the moving violation, the person may not be required to pay any amount, except court costs and a judgment that does not exceed thirty-five dollars and fifty cents (\$35.50).

(2) If the person admits the moving violation or enters a plea of nolo contendere to the moving violation on the appearance date specified in the summons and complaint, the person may not be required to pay any amount, except court costs and a judgment that does not exceed thirty-five dollars and fifty cents (\$35.50).

(3) If the person contests the moving violation in court and is found to have committed the moving violation, the person may not be required to pay any amount, except:

(A) court costs and a judgment that does not exceed thirty-five dollars and fifty cents (\$35.50) if, in the five (5) years before the appearance date specified in the summons and complaint,



the person was not found by a court in the county to have committed a moving violation;

(B) court costs and a judgment that does not exceed two hundred fifty dollars and fifty cents (\$250.50) if, in the five (5) years before the appearance date specified in the summons and complaint, the person was found by a court in the county to have committed one (1) moving violation; and

(C) court costs and a judgment that does not exceed five hundred dollars (\$500) if, in the five (5) years before the appearance date specified in the summons and complaint, the person was found by a court in the county to have committed two (2) or more moving violations.

In a proceeding under subdivision (3), the court may require the person to submit an affidavit or sworn testimony concerning whether, in the five (5) years before the appearance date specified in the summons and complaint, the person has been found by a court to have committed one (1) or more moving violations.

(g) The amounts described in subsection (f) are in addition to any amount that a person may be required to pay for attending a defensive driving school program.

(h) This subsection applies only to infraction judgments imposed in Marion County for traffic violations after December 31, 2010. Subsection (f) applies to an infraction judgment described in this subsection. However, a court shall impose a judgment of not less than thirty-five dollars (\$35) for an infraction judgment that is entered in Marion County. These funds shall be transferred to a dedicated fund in accordance with section 5 of this chapter.

**(i) This subsection applies only to infraction judgments imposed in Clark County for toll violations after January 1, 2017. Subsection (f) applies to an infraction judgment described in this subsection. However, a court shall impose a judgment of not less than thirty-five dollars (\$35) for an infraction judgment that is entered in Clark County. These funds shall be transferred to a dedicated fund in accordance with section 5(f) of this chapter.**

SECTION 35. IC 34-28-5-5, AS AMENDED BY P.L.106-2010, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) A defendant against whom a judgment is entered is liable for costs. Costs are part of the judgment and may not be suspended except under IC 9-30-3-12. Whenever a judgment is entered against a person for the commission of two (2) or more civil violations (infractions or ordinance violations), the court may waive the person's liability for costs for all but one (1) of the violations. This



subsection does not apply to judgments entered for violations constituting:

- (1) Class D infractions; or
- (2) Class C infractions for unlawfully parking in a space reserved for a person with a physical disability under IC 5-16-9-5 or IC 5-16-9-8.

(b) If a judgment is entered:

- (1) for a violation constituting:
  - (A) a Class D infraction; or
  - (B) a Class C infraction for unlawfully parking in a space reserved for a person with a physical disability under IC 5-16-9-5 or IC 5-16-9-8; or
- (2) in favor of the defendant in any case;

the defendant is not liable for costs.

(c) Except for costs, and except as provided in ~~subsection~~ **subsections (e) and (f)** and IC 9-21-5-11(e), the funds collected as judgments for violations of statutes defining infractions shall be deposited in the state general fund.

(d) A judgment may be entered against a defendant under this section or section 4 of this chapter upon a finding by the court that the defendant:

- (1) violated:
  - (A) a statute defining an infraction; or
  - (B) an ordinance; or
- (2) consents to entry of judgment for the plaintiff upon a pleading of nolo contendere for a moving traffic violation.

(e) The funds collected for an infraction judgment described in section 4(h) of this chapter shall be transferred to a dedicated county fund. The money in the dedicated county fund does not revert to the county general fund or state general fund and may be used, after appropriation by the county fiscal body, only for the following purposes:

- (1) To pay compensation of commissioners appointed under IC 33-33-49.
- (2) To pay costs of the county's guardian ad litem program.

**(f) The funds collected for an infraction judgment described in section 4(i) of this chapter shall be transferred to a dedicated toll revenue fund created as part of a project under IC 8-15.5-1-2(b)(4). The money in the fund does not revert to the county general fund or state general fund and may be used only to pay the cost of operating, maintaining, and repairing the tolling system for a project under IC 8-15.5-1-2(b)(4), including major repairs,**



replacements, and improvements."

Page 35, delete line 42, begin a new paragraph and insert:

"SECTION 38. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "task force" refers to the funding Indiana's roads for a stronger, safer tomorrow task force established by subsection (b).

(b) The funding Indiana's roads for a stronger, safer tomorrow task force is established.

(c) The task force consists of the following members:

(1) The chairperson of the house of representatives ways and means committee.

(2) The chairperson of the senate appropriations committee.

(3) The chairperson of the senate tax and fiscal policy committee.

(4) The chairperson of the house of representatives roads and transportation committee.

(5) The chairperson of the senate homeland security and transportation committee.

(6) The director of the office of management and budget.

(7) The public finance director of the Indiana finance authority.

(8) One (1) member who represents counties and is appointed by the governor after considering the recommendation of the Association of Indiana Counties.

(9) One (1) member who represents municipalities and is appointed by the governor after considering the recommendation of the Indiana Association of Cities and Towns.

(10) One (1) member appointed by the governor after considering the recommendation of the Build Indiana Council.

(11) One (1) member appointed by the governor who is an employee of the Indiana department of transportation.

(12) One (1) member of the general assembly who is a member of the minority party of the house of representatives and is appointed by the speaker of the house of representatives in consultation with the minority leader of the house of representatives.

(13) One (1) member of the general assembly who is a member of the minority party of the senate and is appointed by the president pro tempore of the senate in consultation with the minority leader of the senate.



**(d) The budget committee shall select a member of the task force to serve as the chairperson of the task force.**

**(e) The task force shall develop a long term plan for state highway and major bridge needs that addresses the ten (10) points described in subsection (g) and:**

- (1) will achieve the recommended pavement and bridge conditions;**
- (2) will complete the current statewide priority projects;**
- (3) includes Tier 1, 2, and 3 projects; and**
- (4) using the model developed by the Indiana department of transportation, includes sustainable funding mechanisms for the various components of the plan.**

**(f) The long term plan for state highway and major bridge needs must provide a basis for consideration for the state biennial budget enacted for the biennium beginning July 1, 2017.**

**(g) The long term plan for state highway and major bridge needs must include the following ten (10) points:**

- (1) Estimates of the costs of major projects, including a study of which projects can be done within current revenue streams and which projects may require additional funding.**
- (2) The identification of projects for which a public/private partnership or tolling might be viable, with planning to verify and confirm these public/private partnership or tolling opportunities.**
- (3) The identification of resources for annual maintenance need, concentrating first on available user fees and attempting to secure stable and predictable funding sources. This must include a determination of whether additional resources must be pursued and what form of resource is most appropriate for each project.**
- (4) A review of the state's debt situation and the development of a plan to maintain a strong financial position for the state. This must include consideration of whether a fee or tax could be associated with the life of a bond for an individual project, with the fee or tax then expiring by law upon payment of the bond.**
- (5) The evaluation of the state system of taxes, fees, and registration fees, and the equity of payments by different groups of users of transportation assets. This must include an evaluation of the overall reliability over time of the receipt of revenue from these sources.**
- (6) A review of the fuel tax system, including such concepts as**



indexing tax rates, changing tax rates, and the appropriate collection points for these taxes.

(7) The ensuring that the projects listed in the plan are priority items that should be carried out, and confirming that these projects bring value to citizens either through access and safety needs or for economic development of Indiana as a whole.

(8) A review of the impact and advisability of dedicating some part of state sales tax to roads and road maintenance.

(9) An analysis of how collective purchasing agreements could be developed to share and reduce costs across the system of state and local governments.

(10) A presentation of the plan and recommendations to the budget committee before January 1, 2017.

(h) The legislative services agency shall provide staff support to the task force.

(i) The meetings of the task force must be held in public as provided under IC 5-14-1.5. However, the task force is permitted to meet in executive session as determined necessary by the chairperson of the task force.

(j) This SECTION expires June 30, 2017.

SECTION 39. [EFFECTIVE JULY 1, 2016] (a) There is appropriated for the state fiscal year beginning July 1, 2016, and ending June 30, 2017, five hundred thousand dollars (\$500,000) from the motor vehicle highway account to the Indiana department of transportation. The funds appropriated under this SECTION shall be used by the local technical assistance program established under IC 8-23-2-5(a)(6) to do the following:

(1) Studying issues related to the development and operation by local governments of transportation asset management plans and pavement management plans.

(2) Assisting local governments in Indiana in developing and operating transportation asset management plans and pavement management plans.

(b) The calculation of the other distributions to be made from the motor vehicle highway account under IC 8-14-1-3 in the state



**fiscal year beginning July 1, 2016, and ending June 30, 2017, shall be made after deducting the amount appropriated under this SECTION.**

**(c) This SECTION expires June 30, 2017."**

Page 36, delete lines 1 through 11.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1001 as printed January 29, 2016.)

KENLEY, Chairperson

Committee Vote: Yeas 11, Nays 0.

