

Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1011

AN ACT to amend the Indiana Code concerning local government.

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

SECTION 1. IC 5-13-9.3-3, AS ADDED BY P.L.139-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Subject to the requirements of this chapter, the fiscal body of a political subdivision may adopt an ordinance (in the case of a county or municipality) or a resolution (in the case of any other political subdivision) to authorize the investment of proceeds from the sale of a capital asset owned by the political subdivision. A fiscal body may adopt an ordinance under this subsection before, after, or at the time of the sale of the capital asset.

(b) Proceeds from the sale of a capital asset owned by a political subdivision may be invested as provided in this chapter only if:

(1) **either:**

(A) the total amount received (either before July 1, 2015, or after June 30, 2015) or that will be received from the sale of the capital asset exceeds fifty million dollars (\$50,000,000); **and or**

(B) **in the case of a town, the total amount received from the sale of the capital asset after December 15, 2021, and before January 1, 2023, exceeds twenty-four million dollars (\$24,000,000) but does not exceed twenty-six million dollars (\$26,000,000); and**

(2) the fiscal body of the political subdivision has adopted an

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ordinance or a resolution, as described in subsection (a), that applies to the investment of proceeds from the sale of that particular capital asset.

SECTION 2. IC 5-13-9.3-4, AS AMENDED BY P.L.189-2018, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) **Except as provided in subsection (d)**, if the fiscal body of a political subdivision adopts an ordinance or a resolution under section 3 of this chapter for a particular capital asset, the fiscal officer of the political subdivision shall establish a separate fund into which some or all of the proceeds from the sale of the capital asset shall be deposited. All interest and other income earned on investments of money in the fund shall be deposited in the fund. The ordinance or resolution under section 3 of this chapter must require that the investing officer of the political subdivision shall contract with a registered investment advisor concerning the investment of the proceeds in the fund with the expanded investment authority granted to the political subdivision under this section.

(b) Notwithstanding IC 5-13 or any other law, the investing officer of the political subdivision may invest money in the fund in the same manner as money in the next generation trust fund may be invested under IC 8-14-15.2-9(b). A political subdivision shall enter into an agreement with a registered investment advisor to provide advice regarding investment of money in the fund. The political subdivision shall, with the advice of the registered investment advisor, enter into agreements with investment managers for the investment of the funds. These agreements:

- (1) must be a fee-for-service agreement; and
- (2) may not provide that the compensation of the investment management professionals or investment advisors is determined in whole or in part by the amount or percentage of the investment income earned on money in the fund.

(c) Money in the fund may not be expended or transferred from the fund, except as provided in this chapter.

(d) This subsection applies only to a town that receives proceeds from the sale of a capital asset under section 3(b)(1)(B) of this chapter. The fiscal body of a town that receives proceeds from the sale of a capital asset described in section 3(b)(1)(B) of this chapter shall contract with a financial institution eligible to receive public funds of a political subdivision under IC 5-13-8-1 to assist the board in its investment program.

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

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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