

# HOUSE BILL No. 1100

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3.6-3; IC 33-37-12; IC 36-1-11-5.

**Synopsis:** Local government matters. Provides that if a proposed ordinance will decrease a local income tax rate, rescind a local income tax, or change the use of the proceeds from a local income tax, an adopting body that is a local income tax council or a county council shall inform the taxing units that they must provide verification and notice to the adopting body before the hearing on the proposed ordinance if the decrease, rescission, or change will adversely affect the repayment of bonds, leases, or other obligations. Provides that if an amount collected by a clerk of a city or town court for bail, a fine, a civil penalty, or various other fees is more than the amount required, the clerk shall retain as an administrative fee an amount up to \$3 and refund the excess amount. Provides that for certain disposals of property, if more than one eligible abutting landowner submits an offer to purchase a tract, the disposing agent, without further appraisal or notice, may sell the tract to the eligible abutting landowner who submits the highest offer.

**Effective:** July 1, 2020.

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January 7, 2020, read first time and referred to Committee on Local Government.

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Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

# HOUSE BILL No. 1100

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

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

1 SECTION 1. IC 6-3.6-3-7, AS AMENDED BY P.L.247-2017,  
2 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2020]: Sec. 7. (a) This section applies to a county in which the  
4 county adopting body is a local income tax council.  
5 (b) Before a member of the local income tax council may propose  
6 an ordinance or vote on a proposed ordinance, the member must hold  
7 a public hearing on the proposed ordinance and provide the public with  
8 notice of the time and place where the public hearing will be held.  
9 (c) The notice required by subsection (b) must be given in  
10 accordance with IC 5-3-1 and include the proposed ordinance or  
11 resolution to propose an ordinance.  
12 (d) In addition to the notice required by subsection (b), the adopting  
13 body shall also:  
14 (1) provide a copy of the notice to all taxing units in the county at  
15 least ten (10) days before the public hearing; **and**  
16 (2) **if the proposed ordinance will decrease the tax rate,**  
17 **rescind the tax, or change the use of the proceeds from the**



1           **tax, inform the taxing units that they must provide**  
 2           **verification and notice to the adopting body before the**  
 3           **hearing on the proposed ordinance if the decrease, rescission,**  
 4           **or change proposed in the ordinance will affect the repayment**  
 5           **of bonds, leases, or other obligations as set forth in**  
 6           **IC 6-3.6-4-3 or IC 6-3.6-6-3(b).**

7           SECTION 2. IC 6-3.6-3-7.5, AS AMENDED BY P.L.247-2017,  
 8           SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9           JULY 1, 2020]: Sec. 7.5. (a) This section applies to a county in which  
 10          the county adopting body is the county council.

11          (b) Before the county council may vote on a proposed ordinance  
 12          under this article, the county council must hold a public hearing on the  
 13          proposed ordinance and provide the public with notice of the date,  
 14          time, and place of the public hearing.

15          (c) The notice required by subsection (b) must be given in  
 16          accordance with IC 5-3-1 and include the proposed ordinance.

17          (d) In addition to the notice required by subsection (b), the adopting  
 18          body shall also:

19               (1) provide a copy of the notice to all taxing units in the county at  
 20               least ten (10) days before the public hearing; **and**

21               (2) **if the proposed ordinance will decrease the tax rate,**  
 22               **rescind the tax, or change the use of the proceeds from the**  
 23               **tax, inform the taxing units that they must provide**  
 24               **verification and notice to the adopting body prior to the**  
 25               **hearing on the proposed ordinance if the decrease, rescission,**  
 26               **or change proposed in the ordinance will affect the repayment**  
 27               **of bonds, leases, or other obligations as set forth in**  
 28               **IC 6-3.6-4-3 or IC 6-3.6-6-3(b).**

29          SECTION 3. IC 33-37-12-2, AS ADDED BY P.L.78-2014,  
 30          SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31          JULY 1, 2020]: Sec. 2. If the amount collected by the clerk of the  
 32          circuit court **or the clerk of a city or town court** is more than the  
 33          amount required, the clerk shall:

34               (1) retain the administrative fee described in section 3 of this  
 35               chapter; and

36               (2) refund the excess amount.

37          SECTION 4. IC 33-37-12-3, AS ADDED BY P.L.78-2014,  
 38          SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 39          JULY 1, 2020]: Sec. 3. (a) The clerk of a circuit court **or the clerk of**  
 40          **a city or town court** may retain as an administrative fee an amount of  
 41          up to three dollars (\$3) from the excess amount collected by the clerk  
 42          under section 2 of this chapter.



1 (b) The clerk shall deposit the amount retained as an administrative  
 2 fee under subsection (a) in the clerk's record perpetuation fund  
 3 established under IC 33-37-5-2.

4 SECTION 5. IC 36-1-11-5, AS AMENDED BY P.L.28-2017,  
 5 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2020]: Sec. 5. (a) As used in this section, "abutting  
 7 landowner" means an owner of property that:

8 (1) touches, borders on, or is contiguous to the property that is the  
 9 subject of sale; and

10 (2) does not constitute a:

11 (A) public easement; or

12 (B) public right-of-way.

13 (b) As used in this section, "offering price" means the appraised  
 14 value of real property plus all costs associated with the sale, including:

15 (1) appraisal fees;

16 (2) title insurance;

17 (3) recording fees; and

18 (4) advertising costs.

19 (c) The disposing agent may proceed under this section if either of  
 20 the following applies:

21 (1) The assessed value of a tract of real property to be sold is less  
 22 than:

23 (A) except as provided in clause (B) and subsection (i), fifteen  
 24 thousand dollars (\$15,000); or

25 (B) an amount greater than fifteen thousand dollars (\$15,000)  
 26 that is specified in an ordinance or a resolution adopted by the  
 27 fiscal body of the political subdivision under subsection (i);  
 28 based on the most recent assessment of the tract or of the tract of  
 29 which it was a part before it was acquired.

30 (2) If the property has not been assessed and the property was  
 31 previously part of a public right-of-way.

32 (d) The disposing agent may determine that:

33 (1) the highest and best use of the tract is sale to an abutting  
 34 landowner;

35 (2) the cost to the public of maintaining the tract equals or  
 36 exceeds the estimated fair market value of the tract; or

37 (3) it is economically unjustifiable to sell the tract under section  
 38 4 of this chapter.

39 (e) Within ten (10) days after the disposing agent makes a  
 40 determination under subsection (d), the disposing agent shall publish  
 41 a notice in accordance with IC 5-3-1 identifying the tracts intended for  
 42 sale by legal description and, if possible, by key number and street



1 address. The notice must also include the offering price and a statement  
2 that:

- 3 (1) the property may not be sold to a person who is ineligible  
4 under section 16 of this chapter; and  
5 (2) an offer to purchase the property submitted by a trust (as  
6 defined in IC 30-4-1-1(a)) must identify each:  
7 (A) beneficiary of the trust; and  
8 (B) settlor empowered to revoke or modify the trust.

9 At the time of publication of notice under this subsection, the disposing  
10 agent shall send notice by certified mail to all abutting landowners.  
11 This notice shall contain the same information as the published notice.

12 (f) The disposing agent shall also have each tract appraised. The  
13 appraiser must be professionally engaged in making appraisals, a  
14 person licensed under IC 25-34.1, or an employee of the political  
15 subdivision who is familiar with the value of the tract. However, if the  
16 assessed value of a tract is less than six thousand dollars (\$6,000),  
17 based on the most recent assessment of the tract or of the tract of which  
18 it was a part before it was acquired, the disposing agent is not required  
19 to have the tract appraised.

20 (g) If, within ten (10) days after the date of publication of the notice  
21 under subsection (e), the disposing agent receives an eligible offer to  
22 purchase a tract listed in the notice at or in excess of the offering price,  
23 the disposing agent shall conduct the negotiation and sale of the tract  
24 under section 4(c) through 4(g) of this chapter.

25 (h) Notwithstanding subsection (g), if within ten (10) days after the  
26 date of publication of the notice under subsection (e) the disposing  
27 agent does not receive from any person other than an abutting  
28 landowner an eligible offer to purchase the tract at or in excess of the  
29 offering price, the disposing agent shall conduct the negotiation and  
30 sale of the tract as follows:

- 31 (1) If only one (1) abutting landowner makes an eligible offer to  
32 purchase the tract, then subject to section 16 of this chapter and  
33 without further appraisal or notice, the disposing agent shall offer  
34 to negotiate for the sale of the tract with that abutting landowner.  
35 (2) If more than one (1) eligible abutting landowner submits an  
36 offer to purchase the tract, ~~the other eligible abutting landowners~~  
37 ~~who submit offers shall be informed of the highest offer received~~  
38 ~~and be given an opportunity to submit one (1) additional offer.~~  
39 ~~The tract shall be sold to the eligible abutting landowner who~~  
40 ~~submits the highest offer for the tract and who complies with any~~  
41 ~~requirement under subsection (e)(2).~~ **then subject to section 16**  
42 **of this chapter and without further appraisal or notice, the**



1           **disposing agent may sell the tract to the eligible abutting**  
2           **landowner who submits the highest offer for the tract.**  
3           (3) If no eligible abutting landowner submits an offer to purchase  
4           the tract, the disposing agent may sell the tract to any person who  
5           submits the highest offer for the tract, except a person who is  
6           ineligible to purchase the tract under section 16 of this chapter.  
7           (i) The fiscal body of a political subdivision may adopt an ordinance  
8           (in the case of a county or municipality) or a resolution (in the case of  
9           any other political subdivision) to increase the threshold that applies  
10          under subsection (c)(1) to an amount greater than fifteen thousand  
11          dollars (\$15,000).

