

HOUSE BILL No. 1174

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-14-1.

Synopsis: Highway finances. Reduces the required percentage amount of the motor vehicle highway account distributions that counties, cities, and towns must use for the construction, reconstruction, and preservation of highways from 50% in current law to 40% in calendar years beginning January 1, 2024, and ending December 31, 2025. Provides that, for a period in which the reduction applies, the term "preservation" includes both snow removal and expenditures for deicing road salt or similar deicing agents. Requires counties, cities, and towns that apply the reduced required percentage amounts authorized under the bill to submit to the local technical assistance program (LTAP) at Purdue University in conjunction with the Indiana department of transportation a detailed itemization of the uses of the funds in the calendar year that were for: (1) purposes other than construction, reconstruction, and preservation; and (2) preservation that included only snow removal and expenditures for deicing road salt or similar deicing agents. Requires the LTAP to present a statewide aggregate report of the results received from counties, cities, and towns to the budget committee for each year.

Effective: July 1, 2023.

Abbott, Aylesworth, Snow

January 10, 2023, read first time and referred to Committee on Roads and Transportation.



First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

HOUSE BILL No. 1174

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

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

1 SECTION 1. IC 8-14-1-4, AS AMENDED BY P.L.185-2018,
2 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2023]: Sec. 4. (a) The funds allocated to the respective
4 counties of the state from the motor vehicle highway account shall
5 annually be budgeted as provided by law, and, when distributed shall
6 be used for construction, reconstruction, preservation, and maintenance
7 of the highways of the respective counties, including highways which
8 traverse the streets of incorporated towns, the cost of the repair and
9 maintenance of which prior to the tenth day of September, 1932, was
10 paid from the county gravel road repair fund excepting where the
11 department is charged by law with the maintenance or construction of
12 any such highway so traversing such streets. Subject to subsection (b),
13 any surplus existing in the funds at the end of the year shall thereafter
14 continue as a part of the highway funds of the said counties and shall
15 be rebudgeted and used as already provided in this chapter. The
16 purchase, rental and repair of highway equipment, painting of bridges
17 and acquisition of grounds for erection and construction of storage



1 buildings, acquisition of rights of way and the purchase of fuel oil, and
 2 supplies necessary to the performance of construction, reconstruction,
 3 preservation, and maintenance of highways, shall be paid out of the
 4 highway account of the various counties.

5 (b) **Except as provided in subsection (c)**, for funds distributed to
 6 a county from the motor vehicle highway account, the county shall use
 7 at least fifty percent (50%) of the money for the construction,
 8 reconstruction, and preservation of the county's highways.

9 (c) **This subsection applies for calendar years beginning January**
 10 **1, 2024, and ending December 31, 2025. For funds distributed to a**
 11 **county from the motor vehicle highway account in a calendar year**
 12 **in which this subsection applies, the county shall use at least forty**
 13 **percent (40%) of the money for the construction, reconstruction,**
 14 **and preservation of the county's highways. For a period in which**
 15 **this subsection applies, the term "preservation" includes snow**
 16 **removal and expenditures for deicing road salt or similar deicing**
 17 **agents.**

18 (d) **Each county that applies the reduced percentage provisions**
 19 **allowable under subsection (c) in calendar years beginning**
 20 **January 1, 2024, and ending December 31, 2025, with regard to the**
 21 **use of funds distributed to the county from the motor vehicle**
 22 **highway account shall submit to the local technical assistance**
 23 **program at Purdue University in conjunction with the Indiana**
 24 **department of transportation a detailed itemization of the uses of**
 25 **the funds in the calendar year that were for:**

26 (1) **purposes other than construction, reconstruction, and**
 27 **preservation; and**

28 (2) **preservation that included only snow removal and**
 29 **expenditures for deicing road salt or similar deicing agents.**

30 **The local technical assistance program at Purdue University in**
 31 **conjunction with the Indiana department of transportation shall**
 32 **prescribe the form on which the detailed itemization must be**
 33 **submitted. The local technical assistance program at Purdue**
 34 **University in conjunction with the Indiana department of**
 35 **transportation shall aggregate the results received from counties**
 36 **under this subsection and present a statewide aggregate report to**
 37 **the budget committee for each year.**

38 SECTION 2. IC 8-14-1-5, AS AMENDED BY P.L.185-2018,
 39 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2023]: Sec. 5. (a) Subject to subsection (c), all funds allocated
 41 to cities and towns from the motor vehicle highway account shall be
 42 used by the cities and towns for the construction, reconstruction,



1 preservation, repair, maintenance, oiling, sprinkling, snow removal,
2 weed and tree cutting and cleaning of their highways as herein defined,
3 and including also any curbs, and the city's or town's share of the cost
4 of the separation of the grades of crossing of public highways and
5 railroads, the purchase or lease of highway construction, preservation,
6 and maintenance equipment, the purchase, erection, operation and
7 maintenance of traffic signs and signals, and safety zones and devices,
8 and the painting of surfaces in highways for purposes of safety and
9 traffic regulation. All of such funds shall be budgeted as provided by
10 law.

11 (b) In addition to purposes for which funds may be expended under
12 subsection (a), monies allocated to cities and towns under this chapter
13 may be expended for the payment of principal and interest on bonds
14 sold primarily to finance road, street, or thoroughfare projects.

15 (c) **Except as provided in subsection (d)**, for funds distributed to
16 a city or town from the motor vehicle highway account, the city or town
17 shall use at least fifty percent (50%) of the money for the construction,
18 reconstruction, and preservation of the city's or town's highways.

19 (d) **This subsection applies for calendar years beginning**
20 **January 1, 2024, and ending December 31, 2025. For funds**
21 **distributed to a city or town from the motor vehicle highway**
22 **account in a calendar year in which this subsection applies, the city**
23 **or town shall use at least forty percent (40%) of the money for the**
24 **construction, reconstruction, and preservation of the city's or**
25 **town's highways. For a period in which this subsection applies, the**
26 **term "preservation" includes snow removal and expenditures for**
27 **deicing road salt or similar deicing agents.**

28 (e) Each city or town that applies the reduced percentage
29 provisions allowable under subsection (d) in calendar years
30 beginning January 1, 2024, and ending December 31, 2025, with
31 regard to the use of funds distributed to the city or town from the
32 motor vehicle highway account shall submit to the local technical
33 assistance program at Purdue University in conjunction with the
34 Indiana department of transportation a detailed itemization of the
35 uses of the funds in the calendar year that were for:

36 (1) purposes other than construction, reconstruction, and
37 preservation; and

38 (2) preservation that included only snow removal and
39 expenditures for deicing road salt or similar deicing agents.

40 **The local technical assistance program at Purdue University in**
41 **conjunction with the Indiana department of transportation shall**
42 **prescribe the form on which the detailed itemization must be**



1 submitted. The local technical assistance program at Purdue
2 University in conjunction with the Indiana department of
3 transportation shall aggregate the results received from cities and
4 towns under this subsection and present a statewide aggregate
5 report to the budget committee for each year.

