

HOUSE BILL No. 1203

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-8.1-1-1; IC 14-19.

Synopsis: Bicycle trail maintenance fee on bicycles. Establishes the bicycle trail maintenance fund (fund) to defray the costs of maintaining bicycle trails throughout Indiana. Imposes a fee of \$25 on the retail sale of a nonexempt bicycle. Provides that the fee imposed on sales of nonexempt bicycles at retail are paid into the fund. Requires the department of natural resources to develop a statewide bicycle trail policy. Appropriates money in the fund, other than money reserved for refunds, that is not otherwise appropriated.

Effective: July 1, 2014.

Friend, Wolkins

January 14, 2014, read first time and referred to Committee on Ways and Means.



Second Regular Session 118th General Assembly (2014)

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 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

HOUSE BILL No. 1203

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources and to make an appropriation.

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

1 SECTION 1. IC 6-8.1-1-1, AS AMENDED BY P.L.277-2013,
2 SECTION 15, AND AS AMENDED BY P.L.288-2013, SECTION 68,
3 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2014]: Sec. 1. "Listed taxes" or "taxes" includes
5 only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the
6 riverboat admissions tax (IC 4-33-12); the riverboat wagering tax
7 (IC 4-33-13); the slot machine wagering tax (IC 4-35-8); the type II
8 gambling game excise tax (IC 4-36-9); the gross income tax (IC 6-2.1)
9 (repealed); the utility receipts and utility services use taxes (IC 6-2.3);
10 the state gross retail and use taxes (IC 6-2.5); the adjusted gross income
11 tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the
12 county adjusted gross income tax (IC 6-3.5-1.1); the county option
13 income tax (IC 6-3.5-6); the county economic development income tax
14 (IC 6-3.5-7); the auto rental excise tax (IC 6-6-9); the financial
15 institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); ~~the alternative~~
16 ~~fuel permit fee (IC 6-6-2.1)~~; the special fuel tax (IC 6-6-2.5); the motor



1 carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a
 2 reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax
 3 (IC 6-6-5); *the aviation fuel excise tax (IC 6-6-13)*; the commercial
 4 vehicle excise tax (IC 6-6-5.5); the excise tax imposed on recreational
 5 vehicles and truck campers (IC 6-6-5.1); the hazardous waste disposal
 6 tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1); the beer excise tax
 7 (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax
 8 (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise
 9 tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various
 10 innkeeper's taxes (IC 6-9); the various food and beverage taxes
 11 (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the
 12 regional transportation improvement income tax (IC 8-24-17); the oil
 13 inspection fee (IC 16-44-2); the emergency and hazardous chemical
 14 inventory form fee (IC 6-6-10); the penalties assessed for oversize
 15 vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for
 16 overweight vehicles (IC 9-20-4 and IC 9-30); the underground storage
 17 tank fee (IC 13-23); the solid waste management fee (IC 13-20-22); **the**
 18 **bicycle trail maintenance fee (IC 14-19-11)**; and any other tax or fee
 19 that the department is required to collect or administer.

20 SECTION 2. IC 14-19-10 IS ADDED TO THE INDIANA CODE
 21 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2014]:

23 **Chapter 10. Bicycle Trail Maintenance Fund**

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

- 25 (1) "Bicycle trail" means a trail open to the public and used
 26 for walking, biking, and similar forms of recreation.
 27 (2) "Fund" refers to the bicycle trail maintenance fund
 28 established by section 2 of this chapter.
 29 (3) "Responsible party" means an entity financially
 30 responsible for the maintenance of a bicycle trail.

31 **Sec. 2. (a) The bicycle trail maintenance fund is established for**
 32 **the purpose of receiving money from those sources listed in**
 33 **subsection (b) for ultimate distribution to responsible parties to**
 34 **defray the costs of maintaining bicycle trails. The department shall**
 35 **administer the fund.**

36 **(b) The fund consists of the following:**

- 37 (1) Appropriations by the general assembly.
 38 (2) Donations.
 39 (3) Federal grants or other federal appropriations.
 40 (4) Fee and penalty revenue distributed to the fund under
 41 IC 14-19-11 or any other law.
 42 (5) Interest and other earnings derived from investment of



1 money in the fund.

2 (6) Money reserved for refund claims.

3 (c) Expenses of administering the fund shall be paid from money
4 in the fund.

5 (d) The treasurer of state shall invest the money in the fund not
6 currently needed to meet the obligations of the fund in the same
7 manner as other public money may be invested. Interest that
8 accrues from these investments shall be deposited in the fund.

9 (e) Money in the fund at the end of a state fiscal year does not
10 revert to the state general fund.

11 Sec. 3. Any unappropriated money in the fund not reserved for
12 refund claims is annually appropriated to the department for the
13 department's use in carrying out the purpose of the fund.

14 Sec. 4. (a) On or about October 1 of each year, the department
15 shall transmit to the auditor of state a list showing each county in
16 Indiana and an associated distribution amount.

17 (b) The department shall compute the distribution amount for
18 each county on the list transmitted to the auditor of state under
19 subsection (a) by determining the amount that bears the same ratio
20 to the total amount in the fund available for distribution as the
21 mileage of bicycle trails in the county bears to the total mileage of
22 bicycle trails in Indiana.

23 (c) After the distribution list described in subsection (a) is
24 delivered to the auditor of state, the department shall publish on
25 the department's Internet web site:

26 (1) the information transmitted to the auditor of state under
27 subsection (a); and

28 (2) the mileage of bicycle trails in each county on which the
29 department based the department's calculations of
30 distribution amounts.

31 Sec. 5. The auditor of state shall calculate quarterly distribution
32 amounts from the list of annual distributions described in section
33 4(a) of this chapter. The treasurer of state shall pay the quarterly
34 distributions to the county auditors on warrants issued by the
35 auditor of state.

36 Sec. 6. A county auditor who receives a distribution under
37 section 5 of this chapter shall promptly distribute the amount
38 received to each responsible party in the county according to the
39 proportion of bicycle trails in the county that the responsible party
40 maintains.

41 Sec. 7. A responsible party who receives a distribution from a
42 county auditor under section 6 of this chapter may use the money



1 received only for the maintenance of a segment of a bicycle trail in
2 the county that the responsible party is obligated to maintain.

3 **Sec. 8. (a) The department shall develop a statewide bicycle trail**
4 **policy before January 1, 2015, and amend the policy as necessary**
5 **or advisable thereafter. The policy must address at least the**
6 **following:**

7 (1) **Right of way inconsistencies.**

8 (2) **The division of responsibility for maintenance of fences,**
9 **for drainage, for maintenance of drain tiles, and for brush**
10 **removal between responsible parties and landowners adjacent**
11 **to bicycle trails.**

12 (3) **Standards for maintenance of a bicycle trail itself.**

13 (4) **Who may access a bicycle trail.**

14 (5) **The responsibility for erecting and maintaining signage at**
15 **road crossings.**

16 (6) **Public safety responsibilities on bicycle trails.**

17 (7) **A mechanism for conflict resolution between responsible**
18 **parties and owners of land adjacent to bicycle trails.**

19 (b) **The department shall report on its progress in developing**
20 **the statewide bicycle trail policy to the natural resources study**
21 **committee before November 1, 2014, and when development of the**
22 **policy is completed, submit the statement of the policy to the**
23 **legislative council and the legislative services agency in an**
24 **electronic format under IC 5-14-6.**

25 (c) **After the statewide bicycle trail policy is developed, the**
26 **department shall publish the statewide bicycle trail policy on the**
27 **department's Internet web site.**

28 (d) **The department may adopt rules under IC 4-22-2 to**
29 **implement the statewide bicycle trail policy.**

30 SECTION 3. IC 14-19-11 IS ADDED TO THE INDIANA CODE
31 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
32 JULY 1, 2014]:

33 **Chapter 11. Bicycle Trail Maintenance Fee**

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

35 (1) **"Bicycle" has the meaning set forth in IC 9-13-2-14.**

36 (2) **"Bicycle trail maintenance fee" refers to the fee imposed**
37 **by section 2 of this chapter.**

38 (3) **"Exempt bicycle" means a bicycle having a wheel size that**
39 **does not exceed twenty (20) inches.**

40 (4) **"Nonexempt bicycle" means a bicycle that is not an**
41 **exempt bicycle.**

42 (5) **"Retail merchant" has the meaning set forth in**



1 **IC 6-2.5-1-8.**

2 (6) "Retail transaction" has the meaning set forth in
3 IC 6-2.5-1-2(a).

4 **Sec. 2.** A person who purchases a nonexempt bicycle in a retail
5 transaction is liable for a fee in the amount of twenty-five dollars
6 (\$25) for each nonexempt bicycle acquired in the retail transaction.

7 **Sec. 3.** A retail merchant who sells a nonexempt bicycle in a
8 retail transaction shall collect the bicycle trail maintenance fee
9 from the purchaser.

10 **Sec. 4.** The bicycle trail maintenance fee is excluded from the
11 gross retail income (as defined in IC 6-2.5-1-5) received by a retail
12 merchant in a retail transaction.

13 **Sec. 5.** For each reporting period, a retail merchant is liable to
14 the state for the amount of:

15 (1) the product of:

16 (A) the number of nonexempt bicycles sold in a retail
17 transaction by the retail merchant during the reporting
18 period; multiplied by

19 (B) the amount of the bicycle trail maintenance fee; minus

20 (2) any collection allowance the retail merchant may retain
21 under section 7 of this chapter.

22 **Sec. 6. (a)** A retail merchant shall remit bicycle trail
23 maintenance fees collected under this chapter to the department of
24 state revenue with the same frequency and in the same manner
25 that the retail merchant remits state gross retail and use taxes. A
26 retail merchant shall use the same reporting period for reporting
27 collection of bicycle trail maintenance fees as the retail merchant
28 uses to report collection of state gross retail and use taxes.

29 **(b)** The department of state revenue shall prescribe the form
30 and the manner in which a retail merchant shall report collection
31 of bicycle trail maintenance fees.

32 **Sec. 7. (a)** In order to compensate retail merchants for collecting
33 and timely remitting the bicycle trail maintenance fee, every retail
34 merchant that timely remits bicycle trail maintenance fees as
35 required under section 6 of this chapter is entitled to deduct and
36 retain a collection allowance from the amount of those fees
37 otherwise required to be remitted under this chapter.

38 **(b)** The collection allowance equals:

39 (1) the retail merchant's liability for bicycle trail maintenance
40 fees determined under section 5(1) of this chapter; multiplied
41 by

42 (2) the collection allowance percentage applicable to the retail



1 **merchant under IC 6-2.5-6-10(b).**
2 **(c) The amount of bicycle trail maintenance fees collected by a**
3 **retail merchant during a calendar year is excluded from the**
4 **determination of the retail merchant's collection allowance**
5 **percentage under IC 6-2.5-6-10(b).**
6 **Sec. 8. The bicycle trail maintenance fee is a listed tax (as**
7 **defined in IC 6-8.1-1-1). The department of state revenue shall**
8 **administer the fee in accordance with IC 6-8.1.**
9 **Sec. 9. The department of state revenue shall deposit bicycle**
10 **trail maintenance fee revenue the department receives in the**
11 **bicycle trail maintenance fund established by IC 14-19-10-2.**

