



February 28, 2018

ENGROSSED HOUSE BILL No. 1374

DIGEST OF HB 1374 (Updated February 27, 2018 12:25 pm - DI 73)

Citations Affected: Numerous provisions throughout the Indiana Code.

Synopsis: Financing and transportation. Adds a new article to the Indiana Code to consolidate and rewrite various statutes related to the Indiana finance authority (IFA), including statutes: (1) establishing the IFA; (2) specifying the powers, duties, and purposes of the IFA and the members of the IFA; and (3) governing the following programs and funds administered by the IFA: (A) State facility financing, health facility financing, educational facility financing, recreational development financing, and economic development project financing. (B) The wastewater revolving loan program, the drinking water revolving loan program, the supplemental drinking water and wastewater assistance program, and the environmental remediation revolving loan program. (C) The flood control revolving fund. (D) The infrastructure assistance program. (E) The local infrastructure program. (F) The allocation of volume cap under federal law for private activity bonds. (G) The IFA's duty to monitor and study water quality. Repeals
(Continued next page)

Effective: Upon passage; July 1, 2018; July 1, 2019.

Soliday, Brown T, Slager, DeLaney

(SENATE SPONSORS — MISHLER, HOLDMAN, TALLIAN)

January 11, 2018, read first time and referred to Committee on Ways and Means.
January 29, 2018, amended, reported — Do Pass.
January 31, 2018, read second time, amended, ordered engrossed.
February 1, 2018, engrossed.
February 5, 2018, read third time, passed. Yeas 92, nays 0.

SENATE ACTION

February 7, 2018, read first time and referred to Committee on Tax and Fiscal Policy.
February 27, 2018, amended, reported favorably — Do Pass.

EH 1374—LS 7151/DI 58



the existing statutes governing those programs and funds. Changes program and fund names. Repeals the statutes concerning: (1) funding and insurance for export promotion; (2) the clean coal technology program; (3) the agricultural loan and rural development project guarantee fund; (4) the issuance of bonds for the underground petroleum storage tank excess liability fund; (5) the powers of the IFA related to substitute natural gas contracts; and (6) the broadband development program administered by the IFA. Adds two nonvoting legislative members to the IFA. Provides for the state, the IFA, and the northwest Indiana regional development authority to finance the northern Indiana commuter transportation district's construction of the mainline double tracking project and the West Lake corridor project. Requires the IFA to include in a request for proposals a statement that it will consider only offerors that have experience and quality performance in comparable projects in North America in the last two years with regard to entering into a public-private partnership for a toll road, freeway, or facility project. Requires the IFA to consider affiliates of the offeror, predecessors to the offeror, and parties that would be entering into a substantive contract with the offeror. Requires a resubmission of certain information from an offeror before the IFA holds the public meeting announcing its final selection. Requires, instead of allows, the IFA to require the filing of financial statements for the term of the public-private agreement. Eliminates using a public-private partnership for a communications infrastructure project. Continues current law appropriations for the wastewater and drinking water programs. Specifies that the budget agency may (rather than shall) submit a proposed guarantee or direct loan under the industrial development loan guaranty program to the state budget committee for review. (The Indiana economic development corporation may not make or guarantee such a loan unless it is reviewed by the state budget committee.) Specifies documents that must accompany a loan or financial assistance from: (1) the drinking water or wastewater revolving loans funds; (2) the Indiana brownfields fund; (3) the flood control fund; and (4) local transportation infrastructure revolving funds. Provides that the revenues securing the Marion County health and hospital corporation's debt and rental obligations are special revenues and provides a lien on these revenues. Changes cross references to statutes that are being repealed and rewritten by the bill. Makes conforming and technical changes. Adds two at-large members to the board of trustees of the Indiana state museum and historic sites corporation. Urges the legislative council to assign to a study committee the subject of requiring performance and payment bonds for future public-private projects. Urges the legislative council to assign to the appropriate interim study committee the task of studying potential funding mechanisms to assist local units of government to address: (1) sewer and water projects, including storm water management projects; (2) improving storm water drainage systems; and (3) helping to upgrade deteriorating wastewater and storm water infrastructure.



February 28, 2018

Second Regular Session of the 120th General Assembly (2018)

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 2017 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1374

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

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

- 1 SECTION 1. IC 4-3-26-2, AS ADDED BY P.L.269-2017,
2 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2018]: Sec. 2. (a) As used in this chapter, "executive state
4 agency" refers to any agency, authority, board, bureau, commission,
5 department, division, office, or other unit of state government in the
6 executive, including the administrative, department of state
7 government established by any of the following:
8 (1) The Constitution of the State of Indiana.
9 (2) An Indiana statute.
10 (3) An administrative rule.
11 (4) An executive order.
12 (b) The term does not include the following:
13 (1) The legislative department of state government.
14 (2) The judicial department of state government.
15 (3) The Indiana finance authority ~~created~~ **established** by

EH 1374—LS 7151/DI 58



- 1 ~~IC 4-4-11-4.~~ **IC 5-1.2-3-1.**
 2 (4) A political subdivision.
 3 (5) A state educational institution.
 4 SECTION 2. IC 4-4-10.9 IS REPEALED [EFFECTIVE JULY 1,
 5 2018]. (Indiana Finance Authority Law; Definitions).
 6 SECTION 3. IC 4-4-11 IS REPEALED [EFFECTIVE JULY 1,
 7 2018]. (Indiana Finance Authority).
 8 SECTION 4. IC 4-4-11.2 IS REPEALED [EFFECTIVE JULY 1,
 9 2018]. (Additional Authority: Underground Petroleum Storage Tank
 10 Excess Liability Fund).
 11 SECTION 5. IC 4-4-11.5 IS REPEALED [EFFECTIVE JULY 1,
 12 2018]. (State Private Activity Bond Ceiling).
 13 SECTION 6. IC 4-4-11.6 IS REPEALED [EFFECTIVE JULY 1,
 14 2018]. (Additional Authority; Substitute Natural Gas Contracts).
 15 SECTION 7. IC 4-4-11.7 IS REPEALED [EFFECTIVE JULY 1,
 16 2019]. (Monitoring, Study, and Assessment by Indiana Finance
 17 Authority).
 18 SECTION 8. IC 4-4-21 IS REPEALED [EFFECTIVE JULY 1,
 19 2018]. (Indiana Finance Authority; Export Promotion).
 20 SECTION 9. IC 4-10-19 IS REPEALED [EFFECTIVE JULY 1,
 21 2018]. (Local Infrastructure Revolving Fund).
 22 SECTION 10. IC 4-12-1-14.9, AS ADDED BY P.L.213-2015,
 23 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2018]: Sec. 14.9. (a) As used in this section, "account" refers
 25 to the state bicentennial capital account established by subsection (c).
 26 (b) As used in this section, "bicentennial commission" refers to the
 27 Indiana 2016 bicentennial commission established by IC 4-23-33-3
 28 **(expired)**.
 29 (c) The state bicentennial capital account is established within the
 30 state general fund for the purposes set forth in subsection (f). The
 31 account shall be administered by the budget agency. The account
 32 consists of the following:
 33 (1) Money transferred to the account under IC 4-13-1-4(10). ~~or~~
 34 ~~IC 8-15.5-1-2(g)~~.
 35 (2) Appropriations, if any, made by the general assembly.
 36 (3) Grants and gifts intended for deposit in the account.
 37 (4) Any earnings on money in the account.
 38 (d) The expenses of administering the account shall be paid from
 39 money in the account.
 40 (e) Money in the account at the end of the state fiscal year does not
 41 revert to the state general fund.
 42 (f) Money in the account may be used only for capital projects that



1 commemorate the bicentennial of Indiana's statehood.

2 (g) The budget agency shall consult with the bicentennial
3 commission in making a determination to expend money from the
4 account for the purposes under subsection (f).

5 SECTION 11. IC 4-13-1-4, AS AMENDED BY P.L.213-2015,
6 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2018]: Sec. 4. The department shall, subject to this chapter,
8 do the following:

9 (1) Execute and administer all appropriations as provided by law,
10 and execute and administer all provisions of law that impose
11 duties and functions upon the executive department of
12 government, including executive investigation of state agencies
13 supported by appropriations and the assembly of all required data
14 and information for the use of the executive department and the
15 legislative department.

16 (2) Supervise and regulate the making of contracts by state
17 agencies.

18 (3) Perform the property management functions required by
19 IC 4-20.5-6.

20 (4) Assign office space and storage space for state agencies in the
21 manner provided by IC 4-20.5-5.

22 (5) Maintain and operate the following for state agencies:

23 (A) Central duplicating.

24 (B) Printing.

25 (C) Machine tabulating.

26 (D) Mailing services.

27 (E) Centrally available supplemental personnel and other
28 essential supporting services.

29 The department may require state agencies to use these general
30 services in the interests of economy and efficiency. The general
31 services rotary fund is established through which these services
32 may be rendered to state agencies. The budget agency shall
33 determine the amount for the general services rotary fund.

34 (6) Control and supervise the acquisition, operation, maintenance,
35 and replacement of state owned vehicles by all state agencies. The
36 department may establish and operate, in the interest of economy
37 and efficiency, a motor vehicle pool, and may finance the pool by
38 a rotary fund. The budget agency shall determine the amount to
39 be deposited in the rotary fund.

40 (7) Promulgate and enforce rules relative to the travel of officers
41 and employees of all state agencies when engaged in the
42 performance of state business. These rules may allow



1 reimbursement for travel expenses by any of the following
2 methods:

3 (A) Per diem.

4 (B) For expenses necessarily and actually incurred.

5 (C) Any combination of the methods in clauses (A) and (B).

6 The rules must require the approval of the travel by the
7 commissioner and the head of the officer's or employee's
8 department prior to payment.

9 (8) Administer IC 4-13.6.

10 (9) Prescribe the amount and form of certified checks, deposits,
11 or bonds to be submitted in connection with bids and contracts
12 when not otherwise provided for by law.

13 (10) Rent out, with the approval of the governor, any state
14 property, real or personal:

15 (A) not needed for public use; or

16 (B) for the purpose of providing services to the state or
17 employees of the state;

18 the rental of which is not otherwise provided for or prohibited by
19 law. Property may not be rented out under this subdivision for a
20 term exceeding ten (10) years at a time. However,
21 communications system infrastructure, including towers and
22 associated land, improvements, foundations, access roads and
23 rights-of-way, structures, fencing, and equipment that are
24 necessary, proper, or convenient to transmit or receive voice or
25 data communications, may be rented out under this subdivision
26 for a term not to exceed twenty-five (25) years at a time. ~~Revenue~~
27 ~~received from the rental of such communications system~~
28 ~~infrastructure shall be deposited in the state bicentennial capital~~
29 ~~account established by IC 4-12-1-14.9.~~ In addition, if property is
30 rented out for a term of more than four (4) years, the
31 commissioner must make a written determination stating the
32 reasons that it is in the best interests of the state to rent property
33 for the longer term. This subdivision does not include the power
34 to grant or issue permits or leases to explore for or take coal, sand,
35 gravel, stone, gas, oil, or other minerals or substances from or
36 under the bed of any of the navigable waters of the state or other
37 lands owned by the state.

38 (11) Have charge of all central storerooms, supply rooms, and
39 warehouses established and operated by the state and serving
40 more than one (1) agency.

41 (12) Enter into contracts and issue orders for printing as provided
42 by IC 4-13-4.1.



- 1 (13) Sell or dispose of surplus property under IC 5-22-22, or if
 2 advantageous, to exchange or trade in the surplus property toward
 3 the purchase of other supplies, materials, or equipment, and to
 4 make proper adjustments in the accounts and inventory pertaining
 5 to the state agencies concerned.
- 6 (14) With respect to power, heating, and lighting plants owned,
 7 operated, or maintained by any state agency:
- 8 (A) inspect;
 9 (B) regulate their operation; and
 10 (C) recommend improvements to those plants to promote
 11 economical and efficient operation.
- 12 (15) Administer, determine salaries, and determine other
 13 personnel matters of the department of correction ombudsman
 14 bureau established by IC 4-13-1.2-3.
- 15 (16) Adopt rules to establish and implement a "Code Adam"
 16 safety protocol as described in IC 4-20.5-6-9.2.
- 17 (17) Adopt policies and standards for making state owned
 18 property reasonably available to be used free of charge as
 19 locations for making motion pictures.
- 20 (18) Administer, determine salaries, and determine other
 21 personnel matters of the department of child services ombudsman
 22 established by IC 4-13-19-3.
- 23 SECTION 12. IC 4-13.5-1 IS REPEALED [EFFECTIVE JULY 1,
 24 2018]. (General Provisions).
- 25 SECTION 13. IC 4-13.5-4 IS REPEALED [EFFECTIVE JULY 1,
 26 2018]. (Use and Management of Office Buildings).
- 27 SECTION 14. IC 4-13.6-8-1, AS AMENDED BY P.L.235-2005,
 28 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2018]: Sec. 1. As used in this chapter, "commission" means
 30 the Indiana finance authority established by ~~IC 4-4-11-4~~ **IC 5-1.2-3-1**.
- 31 SECTION 15. IC 4-15-2.2-11, AS ADDED BY P.L.229-2011,
 32 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2018]: Sec. 11. As used in this chapter, "state institution"
 34 means any of the following:
- 35 (1) A state institution (as defined in IC 12-7-2-184).
 36 (2) A correctional facility (as defined in ~~IC 4-13.5-1-1~~) owned by
 37 the state and operated by the department of correction.
 38 (3) The Indiana School for the Deaf established by IC 20-22-2-1.
 39 (4) The Indiana School for the Blind and Visually Impaired
 40 established by IC 20-21-2-1.
 41 (5) The Indiana Veterans' Home as described in IC 10-17-9.
 42 (6) Any other facility owned and operated by the state whose



1 employees participate in the state civil service.

2 SECTION 16. IC 4-33-13-5, AS AMENDED BY THE
3 TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL
4 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 UPON PASSAGE]: Sec. 5. (a) This subsection does not apply to tax
6 revenue remitted by an operating agent operating a riverboat in a
7 historic hotel district. After funds are appropriated under section 4 of
8 this chapter, each month the treasurer of state shall distribute the tax
9 revenue deposited in the state gaming fund under this chapter to the
10 following:

11 (1) An amount equal to the following shall be set aside for
12 revenue sharing under subsection (e):

13 (A) Before July 1, 2021, the first thirty-three million dollars
14 (\$33,000,000) of tax revenues collected under this chapter
15 shall be set aside for revenue sharing under subsection (e).

16 (B) After June 30, 2021, if the total adjusted gross receipts
17 received by licensees from gambling games authorized under
18 this article during the preceding state fiscal year is equal to or
19 greater than the total adjusted gross receipts received by
20 licensees from gambling games authorized under this article
21 during the state fiscal year ending June 30, 2020, the first
22 thirty-three million dollars (\$33,000,000) of tax revenues
23 collected under this chapter shall be set aside for revenue
24 sharing under subsection (e).

25 (C) After June 30, 2021, if the total adjusted gross receipts
26 received by ~~licenses~~ **licensees** from gambling games
27 authorized under this article during the preceding state fiscal
28 year is less than the total adjusted gross receipts received by
29 licensees from gambling games authorized under this article
30 during the state year ending June 30, 2020, an amount equal
31 to the first thirty-three million dollars (\$33,000,000) of tax
32 revenues collected under this chapter multiplied by the result
33 of:

34 (i) the total adjusted gross receipts received by licensees
35 from gambling games authorized under this article during
36 the preceding state fiscal year; divided by

37 (ii) the total adjusted gross receipts received by licensees
38 from gambling games authorized under this article during
39 the state fiscal year ending June 30, 2020;

40 shall be set aside for revenue sharing under subsection (e).

41 (2) Subject to subsection (c), twenty-five percent (25%) of the
42 remaining tax revenue remitted by each licensed owner shall be



- 1 paid:
- 2 (A) to the city that is designated as the home dock of the
- 3 riverboat from which the tax revenue was collected, in the case
- 4 of:
- 5 (i) a city described in IC 4-33-12-6(b)(1)(A); or
- 6 (ii) a city located in a county having a population of more
- 7 than four hundred thousand (400,000) but less than seven
- 8 hundred thousand (700,000); or
- 9 (B) to the county that is designated as the home dock of the
- 10 riverboat from which the tax revenue was collected, in the case
- 11 of a riverboat whose home dock is not in a city described in
- 12 clause (A).
- 13 (3) Subject to subsection (d), the remainder of the tax revenue
- 14 remitted by each licensed owner shall be paid to the state general
- 15 fund. In each state fiscal year, the treasurer of state shall make the
- 16 transfer required by this subdivision not later than the last
- 17 business day of the month in which the tax revenue is remitted to
- 18 the state for deposit in the state gaming fund. However, if tax
- 19 revenue is received by the state on the last business day in a
- 20 month, the treasurer of state may transfer the tax revenue to the
- 21 state general fund in the immediately following month.
- 22 (b) This subsection applies only to tax revenue remitted by an
- 23 operating agent operating a riverboat in a historic hotel district after
- 24 June 30, 2015. After funds are appropriated under section 4 of this
- 25 chapter, each month the treasurer of state shall distribute the tax
- 26 revenue remitted by the operating agent under this chapter as follows:
- 27 (1) Fifty-six and five-tenths percent (56.5%) shall be paid to the
- 28 state general fund.
- 29 (2) Forty-three and five-tenths percent (43.5%) shall be paid as
- 30 follows:
- 31 (A) Twenty-two and four-tenths percent (22.4%) shall be paid
- 32 as follows:
- 33 (i) Fifty percent (50%) to the fiscal officer of the town of
- 34 French Lick.
- 35 (ii) Fifty percent (50%) to the fiscal officer of the town of
- 36 West Baden Springs.
- 37 (B) Fourteen and eight-tenths percent (14.8%) shall be paid to
- 38 the county treasurer of Orange County for distribution among
- 39 the school corporations in the county. The governing bodies
- 40 for the school corporations in the county shall provide a
- 41 formula for the distribution of the money received under this
- 42 clause among the school corporations by joint resolution



- 1 adopted by the governing body of each of the school
2 corporations in the county. Money received by a school
3 corporation under this clause must be used to improve the
4 educational attainment of students enrolled in the school
5 corporation receiving the money. Not later than the first
6 regular meeting in the school year of a governing body of a
7 school corporation receiving a distribution under this clause,
8 the superintendent of the school corporation shall submit to
9 the governing body a report describing the purposes for which
10 the receipts under this clause were used and the improvements
11 in educational attainment realized through the use of the
12 money. The report is a public record.
- 13 (C) Thirteen and one-tenth percent (13.1%) shall be paid to the
14 county treasurer of Orange County.
- 15 (D) Five and three-tenths percent (5.3%) shall be distributed
16 quarterly to the county treasurer of Dubois County for
17 appropriation by the county fiscal body after receiving a
18 recommendation from the county executive. The county fiscal
19 body for the receiving county shall provide for the distribution
20 of the money received under this clause to one (1) or more
21 taxing units (as defined in IC 6-1.1-1-21) in the county under
22 a formula established by the county fiscal body after receiving
23 a recommendation from the county executive.
- 24 (E) Five and three-tenths percent (5.3%) shall be distributed
25 quarterly to the county treasurer of Crawford County for
26 appropriation by the county fiscal body after receiving a
27 recommendation from the county executive. The county fiscal
28 body for the receiving county shall provide for the distribution
29 of the money received under this clause to one (1) or more
30 taxing units (as defined in IC 6-1.1-1-21) in the county under
31 a formula established by the county fiscal body after receiving
32 a recommendation from the county executive.
- 33 (F) Six and thirty-five hundredths percent (6.35%) shall be
34 paid to the fiscal officer of the town of Paoli.
- 35 (G) Six and thirty-five hundredths percent (6.35%) shall be
36 paid to the fiscal officer of the town of Orleans.
- 37 (H) Twenty-six and four-tenths percent (26.4%) shall be paid
38 to the Indiana economic development corporation established
39 by IC 5-28-3-1 for transfer as follows:
- 40 (i) Beginning after December 31, 2017, ten percent (10%)
41 of the amount transferred under this clause in each calendar
42 year shall be transferred to the South Central Indiana



1 Regional Economic Development Corporation or a
 2 successor entity or partnership for economic development
 3 for the purpose of recruiting new business to Orange County
 4 as well as promoting the retention and expansion of existing
 5 businesses in Orange County.

6 (ii) The remainder of the amount transferred under this
 7 clause in each calendar year shall be transferred to Radius
 8 Indiana or a successor regional entity or partnership for the
 9 development and implementation of a regional economic
 10 development strategy to assist the residents of Orange
 11 County and the counties contiguous to Orange County in
 12 improving their quality of life and to help promote
 13 successful and sustainable communities.

14 To the extent possible, the Indiana economic development
 15 corporation shall provide for the transfer under item (i) to be
 16 made in four (4) equal installments. However, an amount
 17 sufficient to meet current obligations to retire or refinance
 18 indebtedness or leases for which tax revenues under this
 19 section were pledged before January 1, 2015, by the Orange
 20 County development commission shall be paid to the Orange
 21 County development commission before making distributions
 22 to the South Central Indiana Regional Economic Development
 23 Corporation and Radius Indiana or their successor entities or
 24 partnerships. The amount paid to the Orange County
 25 development commission shall proportionally reduce the
 26 amount payable to the South Central Indiana Regional
 27 Economic Development Corporation and Radius Indiana or
 28 their successor entities or partnerships.

29 (c) For each city and county receiving money under subsection
 30 (a)(2), the treasurer of state shall determine the total amount of money
 31 paid by the treasurer of state to the city or county during the state fiscal
 32 year 2002. The amount determined is the base year revenue for the city
 33 or county. The treasurer of state shall certify the base year revenue
 34 determined under this subsection to the city or county. The total
 35 amount of money distributed to a city or county under this section
 36 during a state fiscal year may not exceed the entity's base year revenue.
 37 For each state fiscal year, the treasurer of state shall pay that part of the
 38 riverboat wagering taxes that:

- 39 (1) exceeds a particular city's or county's base year revenue; and
- 40 (2) would otherwise be due to the city or county under this
- 41 section;

42 to the state general fund instead of to the city or county.



1 (d) Each state fiscal year the treasurer of state shall transfer from the
 2 tax revenue remitted to the state general fund under subsection (a)(3)
 3 to the build Indiana fund an amount that when added to the following
 4 may not exceed two hundred fifty million dollars (\$250,000,000):

5 (1) Surplus lottery revenues under IC 4-30-17-3.

6 (2) Surplus revenue from the charity gaming enforcement fund
 7 under ~~IC 4-32.2-7-7~~ **IC 4-32.2-7-3**.

8 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

9 The treasurer of state shall make transfers on a monthly basis as needed
 10 to meet the obligations of the build Indiana fund. If in any state fiscal
 11 year insufficient money is transferred to the state general fund under
 12 subsection (a)(3) to comply with this subsection, the treasurer of state
 13 shall reduce the amount transferred to the build Indiana fund to the
 14 amount available in the state general fund from the transfers under
 15 subsection (a)(3) for the state fiscal year.

16 (e) Except as provided in subsections (l) and (m), before August 15
 17 of each year, the treasurer of state shall distribute the wagering taxes
 18 set aside for revenue sharing under subsection (a)(1) to the county
 19 treasurer of each county that does not have a riverboat according to the
 20 ratio that the county's population bears to the total population of the
 21 counties that do not have a riverboat. Except as provided in subsection
 22 (h), the county auditor shall distribute the money received by the
 23 county under this subsection as follows:

24 (1) To each city located in the county according to the ratio the
 25 city's population bears to the total population of the county.

26 (2) To each town located in the county according to the ratio the
 27 town's population bears to the total population of the county.

28 (3) After the distributions required in subdivisions (1) and (2) are
 29 made, the remainder shall be retained by the county.

30 (f) Money received by a city, town, or county under subsection (e)
 31 or (h) may be used for any of the following purposes:

32 (1) To reduce the property tax levy of the city, town, or county for
 33 a particular year (a property tax reduction under this subdivision
 34 does not reduce the maximum levy of the city, town, or county
 35 under IC 6-1.1-18.5).

36 (2) For deposit in a special fund or allocation fund created under
 37 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
 38 IC 36-7-30 to provide funding for debt repayment.

39 (3) To fund sewer and water projects, including storm water
 40 management projects.

41 (4) For police and fire pensions.

42 (5) To carry out any governmental purpose for which the money



1 is appropriated by the fiscal body of the city, town, or county.
 2 Money used under this subdivision does not reduce the property
 3 tax levy of the city, town, or county for a particular year or reduce
 4 the maximum levy of the city, town, or county under
 5 IC 6-1.1-18.5.

6 (g) Before July 15 of each year, the treasurer of state shall determine
 7 the total amount of money distributed to an entity under IC 4-33-12-6
 8 or IC 4-33-12-8 during the preceding state fiscal year. If the treasurer
 9 of state determines that the total amount of money distributed to an
 10 entity under IC 4-33-12-6 or IC 4-33-12-8 during the preceding state
 11 fiscal year was less than the entity's base year revenue (as determined
 12 under IC 4-33-12-9), the treasurer of state shall make a supplemental
 13 distribution to the entity from taxes collected under this chapter and
 14 deposited into the state general fund. Except as provided in subsection
 15 (i), the amount of an entity's supplemental distribution is equal to:

- 16 (1) the entity's base year revenue (as determined under
 17 IC 4-33-12-9); minus
 18 (2) the sum of:
 19 (A) the total amount of money distributed to the entity and
 20 constructively received by the entity during the preceding state
 21 fiscal year under IC 4-33-12-6 or IC 4-33-12-8; plus
 22 (B) the amount of any admissions taxes deducted under
 23 IC 6-3.1-20-7.

24 (h) This subsection applies only to a county containing a
 25 consolidated city. The county auditor shall distribute the money
 26 received by the county under subsection (e) as follows:

- 27 (1) To each city, other than a consolidated city, located in the
 28 county according to the ratio that the city's population bears to the
 29 total population of the county.
 30 (2) To each town located in the county according to the ratio that
 31 the town's population bears to the total population of the county.
 32 (3) After the distributions required in subdivisions (1) and (2) are
 33 made, the remainder shall be paid in equal amounts to the
 34 consolidated city and the county.

35 (i) This subsection applies to a supplemental distribution made after
 36 June 30, 2017. The maximum amount of money that may be distributed
 37 under subsection (g) in a state fiscal year is equal to the following:

- 38 (1) Before July 1, 2021, forty-eight million dollars (\$48,000,000).
 39 (2) After June 30, 2021, if the total adjusted gross receipts
 40 received by licensees from gambling games authorized under this
 41 article during the preceding state fiscal year is equal to or greater
 42 than the total adjusted gross receipts received by licensees from



1 gambling games authorized under this article during the state
 2 fiscal year ending June 30, 2020, the maximum amount is
 3 forty-eight million dollars (\$48,000,000).

4 (3) After June 30, 2021, if the total adjusted gross receipts
 5 received by licensees from gambling games authorized under this
 6 article during the preceding state fiscal year is less than the total
 7 adjusted gross receipts received by licensees from gambling
 8 games authorized under this article during the state fiscal year
 9 ending June 30, 2020, the maximum amount is equal to the result
 10 of:

11 (A) forty-eight million dollars (\$48,000,000); multiplied by

12 (B) the result of:

13 (i) the total adjusted gross receipts received by licensees
 14 from gambling games authorized under this article during
 15 the preceding state fiscal year; divided by

16 (ii) the total adjusted gross receipts received by licensees
 17 from gambling games authorized under this article during
 18 the state fiscal year ending June 30, 2020.

19 If the total amount determined under subsection (g) exceeds the
 20 maximum amount determined under this subsection, the amount
 21 distributed to an entity under subsection (g) must be reduced according
 22 to the ratio that the amount distributed to the entity under IC 4-33-12-6
 23 or IC 4-33-12-8 bears to the total amount distributed under
 24 IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental
 25 distribution.

26 (j) This subsection applies to a supplemental distribution, if any,
 27 payable to Lake County, Hammond, Gary, or East Chicago under
 28 subsections (g) and (i). Beginning in July 2016, the treasurer of state
 29 shall, after making any deductions from the supplemental distribution
 30 required by IC 6-3.1-20-7, deduct from the remainder of the
 31 supplemental distribution otherwise payable to the unit under this
 32 section the lesser of:

33 (1) the remaining amount of the supplemental distribution; or

34 (2) the difference, if any, between:

35 (A) three million five hundred thousand dollars (\$3,500,000);
 36 minus

37 (B) the amount of admissions taxes constructively received by
 38 the unit in the previous state fiscal year.

39 The treasurer of state shall distribute the amounts deducted under this
 40 subsection to the northwest Indiana redevelopment authority
 41 established under IC 36-7.5-2-1 for deposit in the development
 42 authority **revenue** fund established under IC 36-7.5-4-1.

EH 1374—LS 7151/DI 58



- 1 (k) Money distributed to a political subdivision under subsection
- 2 (b):
- 3 (1) must be paid to the fiscal officer of the political subdivision
- 4 and may be deposited in the political subdivision's general fund
- 5 or riverboat fund established under IC 36-1-8-9, or both;
- 6 (2) may not be used to reduce the maximum levy under
- 7 IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate
- 8 of a school corporation, but, except as provided in subsection
- 9 (b)(2)(B), may be used at the discretion of the political
- 10 subdivision to reduce the property tax levy of the county, city, or
- 11 town for a particular year;
- 12 (3) except as provided in subsection (b)(2)(B), may be used for
- 13 any legal or corporate purpose of the political subdivision,
- 14 including the pledge of money to bonds, leases, or other
- 15 obligations under IC 5-1-14-4; and
- 16 (4) is considered miscellaneous revenue.

17 Money distributed under subsection (b)(2)(B) must be used for the
 18 purposes specified in subsection (b)(2)(B).

19 (l) After June 30, 2020, the amount of wagering taxes that would
 20 otherwise be distributed to South Bend under subsection (e) shall be
 21 deposited as being received from all riverboats whose supplemental
 22 wagering tax, as calculated under ~~IC 4-33-12-1(e)~~, **IC 4-33-12-1(d)**, is
 23 over three and five-tenths percent (3.5%). The amount deposited under
 24 this subsection, in each riverboat's account, is proportionate to the
 25 supplemental wagering tax received from that riverboat under
 26 ~~IC 4-33-12-1(e)~~ **IC 4-33-12-1(d)** in the month of July. The amount
 27 deposited under this subsection must be distributed in the same manner
 28 as the supplemental wagering tax collected under ~~IC 4-33-12-1(e)~~:
 29 **IC 4-33-12-1(d)**. This subsection expires June 30, 2021.

30 (m) After June 30, 2021, the amount of wagering taxes that would
 31 otherwise be distributed to South Bend under subsection (e) shall be
 32 withheld and deposited in the state general fund.

33 SECTION 17. IC 4-37-3-1, AS ADDED BY P.L.167-2011,
 34 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2018]: Sec. 1. The corporation is governed by a board of
 36 trustees that consists of the following members:

- 37 (1) Thirteen (13) persons appointed by the governor who are
- 38 voting members. The governor's appointments **under this**
- 39 **subdivision** must meet the following criteria:
- 40 (A) Each member must be a resident of Indiana.
- 41 (B) Not more than two (2) members may reside in the same
- 42 county.



- 1 (C) At least one (1) member must be a recognized supporter of
 2 historic sites.
- 3 (D) Not more than seven (7) members may be from the same
 4 political party.
- 5 **(2) One (1) person who is appointed at-large by the governor**
 6 **and who is a voting member. The member appointed under**
 7 **this subdivision must be a resident of Indiana but may reside**
 8 **in any county.**
- 9 ~~(2)~~ **(3)** Twelve (12) persons appointed by the board who are
 10 voting members. The board's appointments **under this**
 11 **subdivision** must meet the following criteria:
- 12 (A) Each member must be a resident of Indiana.
- 13 (B) Not more than two (2) members may reside in the same
 14 county.
- 15 (C) At least one (1) member must be a recognized supporter of
 16 historic sites.
- 17 (D) Not more than six (6) members may be from the same
 18 political party.
- 19 **(4) One (1) person who is appointed at-large by the board and**
 20 **who is a voting member. The member appointed under this**
 21 **subdivision must be a resident of Indiana but may reside in**
 22 **any county.**
- 23 ~~(3)~~ **(5)** The following persons serve as nonvoting members of the
 24 board:
- 25 (A) The chief executive officer.
- 26 (B) The governor or the governor's designee.
- 27 (C) One (1) member of the house of representatives appointed
 28 by the chairman of the legislative council.
- 29 (D) One (1) member of the senate appointed by the chairman
 30 of the legislative council.
- 31 (E) The director of the department of natural resources or the
 32 director's designee.
- 33 The members appointed under clauses (C) and (D) must be from
 34 different political parties and serve at the pleasure of the chairman
 35 of the legislative council.
- 36 SECTION 18. IC 4-37-4-3, AS ADDED BY P.L.167-2011,
 37 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2018]: Sec. 3. The board may do the following:
- 39 (1) Do any and all acts and things necessary, proper, or
 40 convenient to carry out this article.
- 41 (2) Hold meetings under IC 5-14-1.5 at the times and places in
 42 Indiana that are prescribed by the board's bylaws.



- 1 (3) Adopt an official seal.
 2 (4) Adopt bylaws.
 3 (5) Make and execute contracts and other instruments necessary
 4 or convenient to the exercise of the board's powers.
 5 (6) Acquire by grant, purchase, gift, devise, or lease or otherwise
 6 and hold, use, sell, lease, manage, operate, clear, improve,
 7 encumber, transfer, convey, exchange, or dispose of the
 8 following:
 9 (A) Real and personal property and any interest in real or
 10 personal property.
 11 (B) Facilities.
 12 (C) Money or stocks.
 13 (D) Any right or interest necessary or useful for carrying out
 14 the board's powers and duties under this article.
 15 (7) Procure insurance against any loss in connection with the
 16 board's operations.
 17 (8) Enter into contractual or other arrangements with the Indiana
 18 department of administration in connection with the financing of
 19 the state museums under IC 4-13.5.
 20 (9) Notwithstanding IC 4-13.5-4-5 (**before its repeal**), allocate
 21 space in museums financed by the Indiana finance authority under
 22 IC 4-13.5.
 23 (10) Fix and collect rents, admission charges, fees, tolls, and other
 24 user charges for:
 25 (A) the state museums;
 26 (B) restaurants;
 27 (C) other facilities; and
 28 (D) programs, lectures, classes, tours, and trips.
 29 (11) Maintain shops and restaurants on property that the board
 30 manages and at other locations and employ or contract with
 31 persons to manage the shops and restaurants.
 32 (12) Make or sell the following:
 33 (A) Pictures, models, books, and other representations of the
 34 museum and its artifacts and exhibits.
 35 (B) Souvenirs, crafts, art, videotapes, digital video discs, and
 36 other merchandise.
 37 (13) Pay royalties, license fees, or charges for exhibits, artifacts,
 38 artwork, or materials.
 39 (14) Own copyrights, trademarks, and service marks and enforce
 40 the board's rights with respect to ownership.
 41 (15) Conduct market research concerning the state museums.
 42 (16) Adopt rules under IC 4-22-2 to carry out the purposes of this



- 1 article.
- 2 SECTION 19. IC 5-1-16 IS REPEALED [EFFECTIVE JULY 1,
3 2018]. (Indiana Finance Authority Financing of Health Facilities).
- 4 SECTION 20. IC 5-1-16.5 IS REPEALED [EFFECTIVE JULY 1,
5 2018]. (Indiana Health and Educational Facilities Financing Authority;
6 Additional Provisions; Financing Projects for Private Colleges and
7 Universities; Participation in Risk Retention Group).
- 8 SECTION 21. IC 5-1-17-5, AS ADDED BY P.L.214-2005,
9 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2018]: Sec. 5. As used in this chapter, "state agency" has the
11 meaning set forth in ~~IC 4-13.5-1-1~~. **IC 5-1.2-2.**
- 12 SECTION 22. IC 5-1-17.5-3 IS REPEALED [EFFECTIVE JULY
13 1, 2018]. ~~Sec. 3. As used in this chapter, "affected statutes" has the~~
14 ~~meaning set forth in IC 4-4-10.9-1.2.~~
- 15 SECTION 23. IC 5-1-17.5-6, AS ADDED BY P.L.233-2013,
16 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2018]: Sec. 6. As used in this chapter, "bonds" has the
18 meaning set forth in ~~IC 4-4-10.9-2~~. **IC 5-1.2-2-5.**
- 19 SECTION 24. IC 5-1-17.5-31, AS ADDED BY P.L.233-2013,
20 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2018]: Sec. 31. The authority may do any of the following:
22 (1) Finance the improvement, construction, reconstruction,
23 renovation, and acquisition of real and personal property
24 improvements within a qualified motorsports facility.
25 (2) Exercise the authority's powers under ~~IC 4-4-11~~ **IC 5-1.2-4**
26 within a qualified motorsports facility.
- 27 SECTION 25. IC 5-1.2 IS ADDED TO THE INDIANA CODE AS
28 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
29 2018]:
30 **ARTICLE 1.2. INDIANA FINANCE AUTHORITY**
31 **Chapter 1. Purpose and Scope of Authority; General Provisions**
32 **Sec. 1. The authority exists and shall operate for the following**
33 **public purposes:**
34 (1) **Assisting, at the request of a state agency, with project or**
35 **program development on behalf of or in cooperation with the**
36 **state agency.**
37 (2) **Providing decision making concerning access to the capital**
38 **and financial markets in the name of, or for the benefit of, the**
39 **state.**
40 (3) **Enabling the state to communicate, with a single voice,**
41 **with the various participants in the financial markets,**
42 **including credit rating agencies, investment bankers,**



- 1 investors, and municipal bond insurers and other credit
 2 enhancers.
- 3 **(4) Facilitating opportunities for gainful employment and**
 4 **business opportunities by the financing of economic**
 5 **development projects, intrastate and interstate sales,**
 6 **transactions, and business activities.**
- 7 **(5) Facilitating the educational enrichment (including**
 8 **cultural, intellectual, scientific, or artistic opportunities) of all**
 9 **the people of the state by the financing of educational facility**
 10 **projects.**
- 11 **(6) Preventing and remediating environmental pollution,**
 12 **including water pollution, air pollution, sewage and solid**
 13 **waste disposal, radioactive waste, thermal pollution, radiation**
 14 **contamination, and noise pollution affecting the health and**
 15 **well-being of the people of the state by:**
- 16 **(A) the financing of economic development projects; and**
 17 **(B) carrying out the purposes of this article.**
- 18 **(7) Facilitating the provision of safe and adequate drinking**
 19 **water, helping to upgrade deteriorating infrastructure, and**
 20 **facilitating wastewater and storm water management to**
 21 **positively affect the public health and well-being of the people**
 22 **of the state.**
- 23 **(8) Financing state and local infrastructure, facilities, and**
 24 **assets that are publicly owned, operated, or otherwise**
 25 **supported under this article.**
- 26 **(9) Carrying out the purposes of IC 5-1-17.5 concerning a**
 27 **motorsports investment district.**
- 28 **(10) Administering a regional development authority**
 29 **infrastructure fund established under IC 36-9-43-9.**
- 30 **(11) Managing, applying, and operating each of the programs**
 31 **in a manner to positively affect the public health, economic**
 32 **welfare, and well-being of the state and its citizens.**
- 33 **(12) Otherwise positively affecting the public health, economic**
 34 **welfare, and well-being of the state and its citizens by**
 35 **carrying out the purposes of this article.**
- 36 **Sec. 2. This article and the referenced statutes shall be liberally**
 37 **construed to effect the purposes of this article and the referenced**
 38 **statutes.**
- 39 **Sec. 3. Any general, special, or local law that is made applicable**
 40 **to a particular entity by referring to an officer or office of the state,**
 41 **an agency, a state agency, an authority, a board, a commission, a**
 42 **committee, a department, a division, a bureau, an instrumentality,**



1 an institution, an association, a service agency, a body corporate
 2 and politic created by statute, or any other entity of the executive,
 3 including the administrative, department of state government, or
 4 a similar reference or term, is not applicable to the authority,
 5 unless the reference is made specifically applicable to or in the
 6 name of the authority or to or by naming any statutes that are
 7 specific to the authority, including the referenced statutes.
 8 However, the following statutes apply to the authority:

- 9 (1) IC 4-2-6.
 10 (2) IC 5-3.
 11 (3) IC 5-10.
 12 (4) IC 5-10.1.
 13 (5) IC 5-10.2.
 14 (6) IC 5-10.3.
 15 (7) IC 5-14-1.5.
 16 (8) IC 5-14-3.
 17 (9) IC 5-15.
 18 (10) IC 5-19.
 19 (11) IC 34-13.
 20 (12) IC 34-30-9.

21 **Chapter 2. Definitions**

22 **Sec. 1. (a) The definitions in this chapter apply throughout this**
 23 **article and the referenced statutes unless the context of the statute**
 24 **clearly denotes otherwise.**

25 **(b) To the extent that a definition in a referenced statute is**
 26 **inconsistent with the definition in this chapter, the definition in the**
 27 **referenced statute prevails.**

28 **(c) Except as provided in subsection (b), to the extent that this**
 29 **article is inconsistent with any other general, special, or local law,**
 30 **this article is controlling and supersedes all other laws.**

31 **Sec. 2. "Approved assistance", for purposes of the flood control**
 32 **program established under IC 5-1.2-13, means any loan or other**
 33 **financial assistance:**

- 34 (1) that is requested by a participant for an eligible activity;
 35 and
 36 (2) that the authority makes available to the participant.

37 **Sec. 3. "Authority" refers to the Indiana finance authority**
 38 **established by this article.**

39 **Sec. 4. "Bond", for purposes of IC 5-1.2-16, means any:**

- 40 (1) bond or mortgage credit certificate for which it is
 41 necessary to procure volume under the volume cap under
 42 Section 146 of the Internal Revenue Code; or



1 (2) bond or other obligation for which a special volume cap is
2 authorized under a federal act.

3 Sec. 5. "Bonds" means any bonds, mortgage credit certificates,
4 notes, debentures, interim certificates, revenue anticipation notes,
5 warrants, or any other evidence of indebtedness of the authority,
6 and, for purposes of a refunding issue, means the same types of
7 such evidence of indebtedness of the authority and types of
8 evidence of indebtedness of a unit (as defined in IC 36-1-2-23)
9 issued for the purpose of refunding, renewing, paying, or otherwise
10 providing for the payment of any such evidence of indebtedness.

11 Sec. 6. "Bond resolution" means the resolution or resolutions
12 and the trust agreement, if any, authorizing or providing for the
13 terms and conditions applicable to bonds issued under this article.

14 Sec. 7. "Building" or "buildings" or similar words, for purposes
15 of financing health facility property under IC 5-1.2-7, mean any
16 building or part of a building or addition to a building for health
17 care purposes. The term includes the site for the building (if a site
18 is to be acquired), equipment, heating facilities, sewage disposal
19 facilities, landscaping, walks, drives, parking facilities, and other
20 structures, facilities, appurtenances, materials, and supplies that
21 may be considered necessary to render a building suitable for use
22 and occupancy for health care purposes.

23 Sec. 8. "Carryforward election", for purposes of IC 5-1.2-16,
24 means a carryforward election of a part of the volume cap made
25 under the authority of Section 146(f) of the Internal Revenue Code.

26 Sec. 9. "Clean Water Act" refers to:

- 27 (1) 33 U.S.C. 1251 et seq., and laws supplemental and
28 ancillary to 33 U.S.C. 1251 et seq.; and
29 (2) regulations adopted under 33 U.S.C. 1251 et seq., and laws
30 supplemental and ancillary to these regulations.

31 Sec. 10. "Construction", for purposes of financing a state
32 facility under IC 5-1.2-5, means the erection, renovation,
33 refurbishing, or alteration of all or any part of a building, an
34 improvement, or a structure, including installation of fixtures or
35 equipment, landscaping of grounds, site work, and providing for
36 other ancillary facilities pertinent to the building, improvement, or
37 structure.

38 Sec. 11. "Correctional facility", for purposes of financing a state
39 facility under IC 5-1.2-5, means a building, a structure, or an
40 improvement for the custody, care, confinement, or treatment of
41 committed persons under IC 11.

42 Sec. 12. "Cost" includes the following:



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- (1) As applied to financing a health facility and health facility property under IC 5-1.2-7, the following:**
- (A) The cost and the incidental and related costs of the acquisition, repair, restoration, reconditioning, refinancing, or installation of health facility property.**
 - (B) The cost of any property interest in health facility property, including an option to purchase a leasehold interest.**
 - (C) The cost of constructing health facility property, or an addition to health facility property, acquiring health facility property, or remodeling health facility property.**
 - (D) The cost of architectural, engineering, legal, trustee, underwriting, and related services; the cost of the preparation of plans, specifications, studies, surveys, and estimates of cost and of revenue; and all other expenses necessary or incident to planning, providing, or determining the need for or the feasibility and practicability of health facility property.**
 - (E) The cost of financing charges, including premiums or prepayment penalties and interest accrued during the construction of health facility property or before the acquisition and installation or refinancing of the health facility property for up to two (2) years after the construction, acquisition, and installation or refinancing, and startup costs related to health facility property for up to two (2) years after such construction, acquisition, and installation or refinancing.**
 - (F) The costs paid or incurred in connection with the financing of health facility property, including:**
 - (i) out-of-pocket expenses;**
 - (ii) the cost of any policy of insurance;**
 - (iii) the cost of printing, engraving, and reproduction services; and**
 - (iv) the cost of the initial or acceptance fee of any trustee or paying agent.**
 - (G) The costs of the authority, incurred in connection with providing health facility property, including reasonable sums to reimburse the authority for time spent by its agents or employees in providing and financing health facility property.**
 - (H) The cost paid or incurred for the administration of any program for the purchase or lease of or the making of**



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loans for health facility property, by the authority, and any program for the sale or lease of or making of loans for health facility property to any participating provider.

(2) As applied to a park or park project under IC 5-1.2-6, the following:

(A) The cost of construction, renovation, or improvement.

(B) The cost of acquisition of all land, rights in land, rights-of-way, property, rights, easements, and interests, including land under water and riparian rights acquired by the commission for construction.

(C) The cost of demolishing or removing any buildings or structures on land acquired, including the cost of acquiring any land to which buildings or structures may be moved.

(D) The cost of relocating public roads, railroads, and public utility facilities, including the cost of land or easements.

(E) The cost of all machinery and equipment, financing charges, and interest before and during construction.

(F) The cost of engineering and legal expenses, plans, specifications, surveys, estimates of use, and revenues.

(G) Other expenses necessary or incident to determining the feasibility or practicability of financing and constructing any project.

(H) Administrative expense.

(I) Other expenses that are necessary or incident to the construction of the project, the financing of construction, and the placing of the project in operation, including an initial bond service reserve.

(3) As applied to an educational facility project under IC 5-1.2-8, all costs necessary or incident to the acquisition, construction, or funding of an educational facility project under that chapter, including the costs of refunding or refinancing outstanding indebtedness incurred for the financing of the educational facility project, reserves for principal and interest, engineering, legal, architectural, and all other necessary and incidental expenses, together with interest on bonds issued to finance the educational facility project to a date six (6) months after the estimated date of completion.

Sec. 13. "Cost of the project", for purposes of an economic development project under IC 5-1.2-9, means the cost or fair market value of construction, equipment, lands, property rights,



1 easements, franchises, patents, financing charges, interest cost
 2 during construction, engineering and legal services, plans,
 3 specifications, surveys, cost estimates, studies, and other expenses
 4 as may be necessary or incident to the development, construction,
 5 financing, and placing in operation of an economic development
 6 project.

7 **Sec. 14. "County"**, for purposes of financing health facility
 8 property under IC 5-1.2-7, means any county in the state that owns
 9 and operates a county hospital.

10 **Sec. 15. "Covered taxes"** refers to any of the following:

11 (1) The state gross retail tax imposed under IC 6-2.5-2-1 or
 12 the use tax imposed under IC 6-2.5-3-2.

13 (2) The adjusted gross income tax imposed under IC 6-3-2-1.

14 **Sec. 16. "Developer"**, for purposes of an economic development
 15 project under IC 5-1.2-9, means a person who proposes to enter, or
 16 has entered, into a financing agreement with the authority for an
 17 economic development project and who has entered into a separate
 18 agreement with some other persons for the substantial use of the
 19 facilities financed.

20 **Sec. 17. "Drinking water program"** refers to the drinking water
 21 revolving loan program established by IC 5-1.2-10.

22 **Sec. 18. "Drinking water SRF fund"** refers to the drinking
 23 water revolving loan fund established by IC 5-1.2-10-3.

24 **Sec. 19. "Economic development project"**, for purposes of
 25 IC 5-1.2-9, means projects and undertakings that include:

- 26 (1) the acquisition of land, site improvements, infrastructure
 27 improvements, buildings, or structures, rehabilitation,
 28 renovation, and enlargement of buildings and structures,
 29 machinery, equipment, furnishings, or facilities (or any
 30 combination of these), comprising or being functionally
 31 related and subordinate to any project (whether
 32 manufacturing, commercial, agricultural, environmental,
 33 technological, or otherwise), the development or expansion of
 34 which serves the public purposes set forth in IC 5-1.2-1; and
 35 (2) educational facility projects.

36 **Sec. 20. "Educational facility"**, for purposes of an educational
 37 facility project under IC 5-1.2-8, means any educational facility
 38 property located within Indiana that:

39 (1) is suitable for:

- 40 (A) the instruction, feeding, recreation, or housing of
 41 students;
 42 (B) the conduct of research or other work of a nonprofit



- 1 college or university; or
 2 (C) use by a nonprofit college or university in connection
 3 with any educational, research, or related or incidental
 4 activity conducted by the nonprofit college or university;
 5 and
 6 (2) is not used or is not to be used for sectarian instruction or
 7 study or as a place for devotional activities or workshop.
- 8 **Sec. 21. (a) "Educational facility project" includes the following:**
 9 (1) As applied to an educational facility project under
 10 IC 5-1.2-8, the following:
 11 (A) The acquisition, construction, enlarging, remodeling,
 12 renovation, improvement, furnishing, or equipping of an
 13 educational facility by the authority for a nonprofit college
 14 or university.
 15 (B) The funding of any liability, other loss, or insurance
 16 reserves or the funding and contribution of these insurance
 17 reserves or other capital to a risk retention group to
 18 provide insurance coverage against liability claims or
 19 other losses.
- 20 (2) As applied to an educational facility project under
 21 IC 5-1.2-9, the following:
 22 (A) The acquisition of land, site improvements,
 23 infrastructure improvements, buildings, or structures, the
 24 rehabilitation, renovation, and enlargement of buildings
 25 and structures, machinery, equipment, furnishings, or
 26 facilities (or any combination of these):
 27 (i) comprising or being functionally related and
 28 subordinate to any aquaria, botanical societies, historical
 29 societies, libraries, museums, performing arts
 30 associations or societies, scientific societies, zoological
 31 societies, and independent elementary, secondary, or
 32 postsecondary educational institutions (or any
 33 combination of these) that engage in the cultural,
 34 intellectual, scientific, educational, or artistic enrichment
 35 of the people of the state, the development or expansion
 36 of which serves the purposes set forth in IC 5-1.2-9; and
 37 (ii) not used or not to be used primarily for sectarian
 38 instruction or study or as a place for devotional
 39 activities.
 40 (B) Funding (including reimbursement or refinancing) by
 41 a nonprofit organization described in subsection (b) of:
 42 (i) real property and improvements;



- 1 (ii) personal property; or
- 2 (iii) noncapital costs to fund a judgment, a settlement, or
- 3 other cost or liability, other than an ordinary and
- 4 recurring operating cost or expenditure.

5 (b) For purposes of subsection (a)(2)(B), a nonprofit
6 organization must:

- 7 (1) be qualified as tax exempt under Section 501(c)(3) of the
- 8 Internal Revenue Code; and
- 9 (2) have headquarters or a primary educational or exhibit
- 10 facility located on property owned by or titled in the name of
- 11 the state or an agency, a commission, or an instrumentality of
- 12 the state that serves the purposes set forth in IC 5-1.2-9.

13 Sec. 22. "Educational facility property", for purposes of an
14 educational facility project under IC 5-1.2-8, means any real,
15 personal, or mixed property, or any interest in real property or
16 mixed property, including:

- 17 (1) any real estate, appurtenances, buildings, easements,
- 18 equipment, furnishings, furniture, improvements, machinery,
- 19 or rights-of-way and structures; or
- 20 (2) any interest in real estate, appurtenances, buildings,
- 21 easements, equipment, furnishings, furniture, improvements,
- 22 machinery, or rights-of-way and structures.

23 Sec. 23. "Eligible activity", for purposes of the flood control
24 program established under IC 5-1.2-13, includes the following:

- 25 (1) The removal of obstructions and accumulated debris from
- 26 channels of streams.
- 27 (2) The clearing and straightening of channels of streams.
- 28 (3) The creating of new and enlarged channels of streams,
- 29 wherever required.
- 30 (4) The building or repairing of dikes, levees, or other flood
- 31 protective works.
- 32 (5) The construction of bank protection works for streams.
- 33 (6) The establishment of floodways.
- 34 (7) The conducting of all other activities that are allowed by
- 35 the federal Flood Control Act and federal Clean Water Act.

36 Sec. 24. "Eligible member", for purposes of an educational
37 facility project under IC 5-1.2-8, means a state educational
38 institution or any nonprofit college or university.

39 Sec. 25. "Equipment", for purposes of an economic development
40 project under IC 5-1.2-9, means any capital item.

41 Sec. 26. (a) "Financial assistance agreement", for purposes of
42 the wastewater program and drinking water program established



1 under IC 5-1.2-10, the supplemental program established under
 2 IC 5-1.2-11, the Indiana brownfields program established under
 3 IC 5-1.2-12, the flood control program established under
 4 IC 5-1.2-13, the water infrastructure assistance program
 5 established under IC 5-1.2-14, and the local transportation
 6 infrastructure program established under IC 5-1.2-15, refers to a
 7 financial assistance agreement, financial aid agreement, or any
 8 other obligation between the authority and a participant under
 9 those chapters establishing the terms and conditions of a grant,
 10 loan, or other financial assistance, including forgiveness of
 11 principal if allowed under federal law, by the authority to the
 12 participant under those chapters.

13 (b) Nothing in this section restricts the authority from
 14 denominating any financial assistance agreement by any other
 15 name the authority determines to be administratively convenient.

16 Sec. 27. "Financing agreement", for purposes of an economic
 17 development project under IC 5-1.2-9, means an agreement that is
 18 entered into between the authority and a developer, user, or lender
 19 concerning the financing of, the title to, or possession of an
 20 economic development project and that provides for payments to
 21 the authority in an amount sufficient to pay the principal of,
 22 premium on, if any, and interest on bonds authorized by the
 23 authority for the financing of an economic development project.

24 Sec. 28. "Flood control fund" refers to the flood control fund
 25 established by IC 5-1.2-13.

26 Sec. 29. "Flood control program" refers to the flood control
 27 program established by IC 5-1.2-13.

28 Sec. 30. "Governing board", for purposes of the flood control
 29 program established under IC 5-1.2-13, means the legislative body
 30 created by law to administer the affairs of the participant.

31 Sec. 31. "Hazardous substance", for purposes of the Indiana
 32 brownfields program established under IC 5-1.2-12, has the
 33 meaning set forth in IC 13-11-2-98.

34 Sec. 32. "Health facility", for purposes of IC 5-1.2-7, means any
 35 facility or building that is:

36 (1) owned or used by a participating provider;

37 (2) located:

38 (A) in Indiana; or

39 (B) outside Indiana, if the participating provider that
 40 operates the facility or building, or an affiliate of the
 41 participating provider, also operates a substantial health
 42 facility or facilities, as determined by the authority, in



- 1 **Indiana; and**
- 2 **(3) utilized, directly or indirectly:**
- 3 **(A) in:**
 - 4 **(i) health care;**
 - 5 **(ii) habilitation, rehabilitation, or therapeutic services;**
 - 6 **(iii) medical research;**
 - 7 **(iv) the training or teaching of health care personnel; or**
 - 8 **(v) any related supporting services;**
- 9 **(B) to provide:**
 - 10 **(i) a residential facility for individuals with a physical,**
 - 11 **mental, or emotional disability;**
 - 12 **(ii) a residential facility for individuals with a physical or**
 - 13 **mental illness; or**
 - 14 **(iii) a residential facility for the elderly; or**
- 15 **(C) as a licensed child caring institution that provides**
- 16 **residential care described in IC 12-7-2-29(1) or**
- 17 **corresponding provisions of the laws of the state in which**
- 18 **the facility or building is located.**

19 **Sec. 33. "Health facility property", for purposes of IC 5-1.2-7,**
 20 **means any tangible or intangible property or asset owned or used**
 21 **by a participating provider that:**

- 22 **(1) is determined by the authority to be necessary or helpful,**
- 23 **directly or indirectly, to provide:**
 - 24 **(A) health care;**
 - 25 **(B) medical research;**
 - 26 **(C) training or teaching of health care personnel;**
 - 27 **(D) habilitation, rehabilitation, or therapeutic services; or**
 - 28 **(E) any related supporting services;**

29 **regardless of whether the property is in existence at the time**
 30 **of, or is to be provided after the making of, the finding;**

- 31 **(2) is:**
 - 32 **(A) a residential facility for individuals with a physical,**
 - 33 **mental, or emotional disability;**
 - 34 **(B) a residential facility for individuals with a physical or**
 - 35 **mental illness; or**
 - 36 **(C) a residential facility for the elderly; or**
- 37 **(3) is a licensed child caring institution providing residential**
- 38 **care described in IC 12-7-2-29(1) or corresponding provisions**
- 39 **of the laws of the state in which the property is located.**

40 **Sec. 34. "IHCDA" refers to the Indiana housing and community**
 41 **development authority created by IC 5-20-1.**

42 **Sec. 35. "Indiana brownfields fund" refers to the Indiana**



1 brownfields fund established by IC 5-1.2-12-3.

2 Sec. 36. "Indiana brownfields program" refers to the Indiana
3 brownfields revolving loan program established by IC 5-1.2-12-2.

4 Sec. 37. "Internal Revenue Code" has the meaning set forth in
5 IC 6-3-1-11.

6 Sec. 38. "ISMEL" refers to the Indiana secondary market for
7 education loans, incorporated, designated by the governor under
8 IC 20-12-21.2-2 (before its repeal) or IC 21-16-5-1.

9 Sec. 39. "Issuer", for purposes of IC 5-1.2-16, means the
10 authority, IHCDA, ISMEL, a local unit, or any other issuer of
11 bonds that must procure volume under the volume cap.

12 Sec. 40. "Liability", for purposes of an educational facility
13 project under IC 5-1.2-8, means legal liability for damages
14 (including costs of defense, legal costs and fees, and other claims
15 for expenses) because of injuries to other persons or entities,
16 damage to the property or business of other persons or entities, or
17 other damage or loss to the other persons or entities resulting from
18 or arising out of any activity of an eligible member.

19 Sec. 41. "Liability or other loss insurance reserves", for
20 purposes of an educational facility project under IC 5-1.2-8, means
21 a fund or funds set aside as a reserve to cover risk retained by an
22 eligible member in connection with liability claims or other losses.

23 Sec. 42. "Loan contract", for purposes of financing a state
24 facility under IC 5-1.2-5, means a debt instrument other than a
25 revenue bond and includes but is not limited to a note.

26 Sec. 43. "Local transportation infrastructure program" refers
27 to the local infrastructure program established by IC 5-1.2-15.

28 Sec. 44. "Local transportation infrastructure project" means a
29 facility to be financed under the local transportation infrastructure
30 program.

31 Sec. 45. "Local transportation infrastructure revolving fund"
32 refers to the local transportation infrastructure revolving fund
33 established under the local transportation infrastructure program.

34 Sec. 46. "Local unit", for purposes of IC 5-1.2-16, means a
35 county, city, or town.

36 Sec. 47. "Mental health facility", for purposes of IC 5-1.2-5,
37 means a building, a structure, or an improvement for the care,
38 maintenance, or treatment of persons with mental or addictive
39 disorders.

40 Sec. 48. "Mortgage credit certificate" refers to a mortgage
41 credit certificate issued under Section 25 of the Internal Revenue
42 Code.



1 **Sec. 49. "NAICS Manual"** refers to the current edition of the
 2 **North American Industry Classification System Manual - United**
 3 **States published by the National Technical Information Service of**
 4 **the United States Department of Commerce.**

5 **Sec. 50. "Net revenues",** for purposes of financing a health
 6 **facility and health facility property under IC 5-1.2-7, means the**
 7 **revenues of a hospital remaining after provision for proper and**
 8 **reasonable expenses of operation, repair, replacement, and**
 9 **maintenance of the hospital.**

10 **Sec. 51. "Nonprofit college or university",** for purposes of an
 11 **educational facility project under IC 5-1.2-8, has the meaning set**
 12 **forth in IC 21-7-13-23(a).**

13 **Sec. 52. "Park",** for purposes of IC 5-1.2-6, includes any land
 14 **suitable for public recreational facilities, including all parks,**
 15 **reservoirs, land, and water under the jurisdiction of the**
 16 **department of natural resources. The term does not include park**
 17 **and park facilities of political subdivisions of the state.**

18 **Sec. 53. "Park project",** for purposes of IC 5-1.2-6, includes
 19 **facilities, renovations, improvements, adjuncts, and appurtenances**
 20 **necessary or proper to the operation of public parks, such as the**
 21 **following:**

- 22 (1) **Means of ingress and egress and interior arterial systems.**
- 23 (2) **Food and lodging facilities.**
- 24 (3) **Camping areas.**
- 25 (4) **Boating facilities.**
- 26 (5) **Public participation sports facilities.**
- 27 (6) **Parking lots.**
- 28 (7) **Garages.**
- 29 (8) **Trailer sites.**
- 30 (9) **Automotive service facilities.**
- 31 (10) **Communication systems.**
- 32 (11) **Sewers, drains, and other sanitary facilities for the**
 33 **treatment of sewage, garbage, and wastes.**
- 34 (12) **The furnishing of utility service necessary to serve the**
 35 **property under the jurisdiction or control of the commission.**
- 36 (13) **Other buildings and facilities whose acquisition and use**
 37 **are consistent with the purposes of this chapter.**

38 **The term does not include park and park facilities of political**
 39 **subdivisions of the state or the acquisition of railroad**
 40 **rights-of-way.**

41 **Sec. 54. "Participant"** means the following:

- 42 (1) **For purposes of the wastewater program established**



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- under IC 5-1.2-10:**
 - (A) a political subdivision; or
 - (B) any person, entity, association, trust, or other manner of participant allowed by law to enter contractual arrangements for a purpose eligible for assistance under the federal Clean Water Act.
 - (2) For purposes of the drinking water program established under IC 5-1.2-10:**
 - (A) a political subdivision; or
 - (B) any person, entity, association, trust, or other manner of participant allowed by law to enter contractual arrangements for a purpose eligible for assistance under the federal Safe Drinking Water Act.
 - (3) For purposes of the supplemental program established under IC 5-1.2-11, the Indiana brownfields program established under IC 5-1.2-12, the flood control program established under IC 5-1.2-13, and the water infrastructure assistance program established under IC 5-1.2-14:**
 - (A) a political subdivision; or
 - (B) any person, entity, association, trust, or other manner of participant allowed by law to enter contractual arrangements for a purpose eligible for assistance under those chapters.
 - (4) For purposes of the local transportation infrastructure program established under IC 5-1.2-15:**
 - (A) a political subdivision;
 - (B) an agency, authority, department, instrumentality, or body corporate and politic acting on behalf of a political subdivision; or
 - (C) a regional authority, instrumentality, or body corporate and politic acting on behalf of one (1) or more entities described in clause (A) or (B).
- Sec. 55. "Participating provider", for purposes of financing a health facility and health facility property under IC 5-1.2-7, means a person, corporation, municipal corporation, political subdivision, or other entity, public or private, that:**
- (1) is located in Indiana or outside Indiana;**
 - (2) contracts with the authority for the financing or refinancing of, or the lease or other acquisition of, health facility property that is located:**
 - (A) in Indiana; or**
 - (B) outside Indiana, if the financing, refinancing, lease, or**



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other acquisition also includes a substantial component, as determined by the authority, for the benefit of a health facility or facilities located in Indiana;

(3) is:

(A) licensed under IC 12-25, IC 16-21, IC 16-28, or corresponding laws of the state in which the property is located;

(B) a regional blood center;

(C) a community mental health center or community intellectual disability and other developmental disabilities center (as defined in IC 12-7-2-38 and IC 12-7-2-39 or corresponding provisions of laws of the state in which the property is located);

(D) an entity that:

(i) contracts with the division of disability and rehabilitative services or the division of mental health and addiction to provide the program described in IC 12-11-1.1-1(e) or IC 12-22-2; or

(ii) provides a similar program under the laws of the state in which the entity is located;

(E) a vocational rehabilitation center established under IC 12-12-1-4.1(a)(1) or corresponding provisions of the laws of the state in which the property is located;

(F) the owner or operator of a facility that is utilized, directly or indirectly, to provide health care, habilitation, rehabilitation, therapeutic services, medical research, the training or teaching of health care personnel, or any related supporting services, or of a residential facility for individuals with a physical, mental, or emotional disability, individuals with a physical or mental illness, or the elderly;

(G) a licensed child caring institution providing residential care described in IC 12-7-2-29(1) or corresponding provisions of the laws of the state in which the property is located;

(H) an integrated health care system between or among providers, a health care purchasing alliance, a health insurer or third party administrator that is a participant in an integrated health care system, a health maintenance or preferred provider organization, or a foundation that supports a health care provider; or

(I) an individual, business entity, or governmental entity that owns an equity or membership interest in any of the



1 organizations described in clauses (A) through (H); and
 2 (4) in the case of a person, corporation, municipal
 3 corporation, political subdivision, or other entity located
 4 outside Indiana, is owned or controlled by, under common
 5 control with, affiliated with, or part of an obligated group that
 6 includes an entity that provides one (1) or more of the
 7 following services or facilities in Indiana:

8 (A) A facility that provides:

- 9 (i) health care;
 10 (ii) habilitation, rehabilitation, or therapeutic services;
 11 (iii) medical research;
 12 (iv) training or teaching of health care personnel; or
 13 (v) any related supporting services.

14 (B) A residential facility for:

- 15 (i) individuals with a physical, mental, or emotional
 16 disability;
 17 (ii) individuals with a physical or mental illness; or
 18 (iii) the elderly.

19 (C) A licensed child caring institution providing residential
 20 care described in IC 12-7-2-29(1).

21 Sec. 56. "Person" means an individual, a partnership, a
 22 corporation, a limited liability company, an unincorporated
 23 association, or a governmental entity.

24 Sec. 57. "Political subdivision" means any of the following:

- 25 (1) A political subdivision (as defined in IC 36-1-2-13).
 26 (2) A regional water, sewage, or solid waste district organized
 27 under:
 28 (A) IC 13-26; or
 29 (B) IC 13-3-2 (before its repeal July 1, 1996).
 30 (3) A local public improvement bond bank organized under
 31 IC 5-1.4.
 32 (4) A qualified entity described in IC 5-1.5-1-8(4) that is a
 33 public water utility described in IC 8-1-2-125.
 34 (5) A conservancy district established pursuant to IC 14-33.
 35 (6) A district organized under IC 14-27-8.

36 Sec. 58. "Pollution", for purposes of IC 5-1.2-9, means all forms
 37 of environmental pollution, including water pollution, air pollution,
 38 sewage, solid and radioactive waste, thermal pollution, radiation
 39 contamination, and noise pollution.

40 Sec. 58.4. "Pollution control facility", for purposes of IC 5-1.2-9,
 41 means a facility for the abatement, reduction, or prevention of
 42 pollution or for the removal or treatment of any substances in



1 materials being processed that otherwise would cause pollution
2 when used. This includes the following:

3 (1) Coal washing, coal cleaning, or coal preparation facilities
4 designed to reduce the sulfur and ash levels of Indiana coal.

5 (2) Coal-fired boiler facilities designed to reduce emissions
6 while burning Indiana coal.

7 (3) Pollution control equipment to allow for the
8 environmentally sound use of Indiana coal.

9 Sec. 59. "Program" or "programs" means:

10 (1) the drinking water program established under IC 5-1.2-10;

11 (2) the Indiana brownfields program established under
12 IC 5-1.2-12;

13 (3) the flood control program established under IC 5-1.2-13;

14 (4) the water infrastructure assistance program established
15 under IC 5-1.2-14;

16 (5) the local transportation infrastructure program
17 established under IC 5-1.2-15;

18 (6) the storm water management program;

19 (7) the supplemental program established under IC 5-1.2-11;
20 and

21 (8) the wastewater program established under IC 5-1.2-10.

22 Sec. 60. "Public finance director" means the public finance
23 director appointed under IC 5-1.2-3-6.

24 Sec. 61. "Public water system", for purposes of the drinking
25 water program established under IC 5-1.2-10, and the
26 supplemental program established under IC 5-1.2-11, has the
27 meaning set forth in the federal Safe Drinking Water Act.

28 Sec. 62. "Referenced statutes" means all statutes that grant a
29 power to or impose a duty on the authority, including but not
30 limited to this article, IC 5-1-17, IC 5-1-17.5, IC 5-1.3, IC 8-9.5,
31 IC 8-14.5, IC 8-15, IC 8-15.5, and IC 8-16.

32 Sec. 63. "Regional blood center", for purposes of financing a
33 health facility and health facility property under IC 5-1.2-7, means
34 a nonprofit corporation or corporation created under 36 U.S.C. 1
35 that:

36 (1) is:

37 (A) accredited by the American Association of Blood
38 Banks; or

39 (B) registered or licensed by the Food and Drug
40 Administration of the Department of Health and Human
41 Services; and

42 (2) owns and operates a health facility that is primarily



- 1 engaged in:
- 2 (A) drawing, testing, processing, and storing human blood
- 3 and providing blood units or components to hospitals; or
- 4 (B) harvesting, testing, typing, processing, and storing
- 5 human body tissue and providing this tissue to hospitals.
- 6 Sec. 64. "Regional health facility", for purposes of financing a
- 7 state facility under IC 5-1.2-5, means a building, a structure, or an
- 8 improvement to a building or structure for the care, maintenance,
- 9 or treatment of adults or children with mental illness,
- 10 developmental disabilities, addictions, or other medical or
- 11 rehabilitative needs.
- 12 Sec. 65. "Remediation", for purposes of the Indiana brownfields
- 13 program established under IC 5-1.2-12, means any of the
- 14 following:
- 15 (1) Actions necessary to:
- 16 (A) prevent;
- 17 (B) minimize; or
- 18 (C) mitigate;
- 19 damages to the public health or welfare or to the environment
- 20 that may otherwise result from a release or threat of a release
- 21 of hazardous substances or petroleum.
- 22 (2) Actions consistent with a permanent remedy taken instead
- 23 of or in addition to removal actions if a release or threatened
- 24 release of a hazardous substance or petroleum into the
- 25 environment occurs to eliminate the release of hazardous
- 26 substances or petroleum so that the hazardous substances or
- 27 petroleum do not migrate to cause substantial danger to
- 28 present or future public health or welfare or the environment.
- 29 (3) The clean-up or removal of released hazardous substances
- 30 or petroleum from the environment.
- 31 Sec. 66. "Revenues", for purposes of an educational facility
- 32 project under IC 5-1.2-8, means the rents, fees, charges, and other
- 33 income or profit derived from the educational facility project.
- 34 Sec. 67. "Risk retention group", for purposes of an educational
- 35 facility project under IC 5-1.2-8, means a trust, pool, corporation,
- 36 limited liability company, partnership, or joint venture funded by
- 37 and owned and operated for the benefit of more than one (1)
- 38 eligible member.
- 39 Sec. 68. "Safe Drinking Water Act" refers to:
- 40 (1) 42 U.S.C. 300f et seq., and laws supplemental and ancillary
- 41 to these laws; and
- 42 (2) regulations adopted under 42 U.S.C. 300f et seq., and laws



- 1 supplemental and ancillary to these regulations.
- 2 Sec. 69. "SIC Manual" refers to the current edition of the
3 Standard Industrial Classification Manual of the United States
4 Office of Management and Budget.
- 5 Sec. 70. "Special volume cap" means the maximum dollar
6 amount of bonds that may be allocated to the state under the
7 authority of a federal act. The special volume cap is in addition to
8 the volume cap as defined in section 80 of this chapter.
- 9 Sec. 71. "State agency" means an authority, a board, a
10 commission, a committee, a department, a division, or other
11 instrumentality of state government, but does not include a state
12 educational institution.
- 13 Sec. 72. "State educational institution", for purposes of an
14 educational facility project under IC 5-1.2-8, has the meaning set
15 forth in IC 21-7-13-32.
- 16 Sec. 73. "State facility", for purposes of IC 5-1.2-5, means all or
17 any part of one (1) or more buildings, structures, or improvements
18 (whether new or existing), or parking areas (whether surface or an
19 above or below ground parking garage or garages), owned or
20 leased by the authority or the state for the purpose of:
- 21 (1) housing the personnel or activities of state agencies or
22 branches of state government;
- 23 (2) providing transportation or parking for state employees or
24 persons having business with state government;
- 25 (3) providing a correctional facility;
- 26 (4) providing a mental health facility; or
- 27 (5) providing a regional health facility.
- 28 Sec. 74. "Storm water management program" means a program
29 that is consistent with the requirements in:
- 30 (1) 40 CFR 122.26(d)(2)(iv) for a proposed management
31 program; or
- 32 (2) 40 CFR 122.34 for a storm water management program.
- 33 Sec. 75. "Supplemental fund" refers to the supplemental
34 drinking water and wastewater assistance fund established by
35 IC 5-1.2-11.
- 36 Sec. 76. "Supplemental program" refers to the supplemental
37 drinking water and wastewater assistance program established by
38 IC 5-1.2-11.
- 39 Sec. 77. "Taxable bonds" means bonds, the interest on which
40 will not be excluded from the gross income of the owners of the
41 bonds under Section 103 of the Internal Revenue Code.
- 42 Sec. 78. "Tax exempt bonds" means bonds, the interest on which



1 is excludable from the gross income of the owners of the bonds
2 under Section 103 of the Internal Revenue Code.

3 **Sec. 79. "User"** means a person who has entered into a financing
4 agreement with the authority or lender or a contract for use with
5 the developer or lender in contemplation of the person's use of an
6 economic development project.

7 **Sec. 80. "Volume cap"**, as it relates to a year, means the
8 maximum dollar amount of bonds that may be issued by issuers
9 within that year under Section 146 of the Internal Revenue Code.

10 **Sec. 81. "Wastewater program"** refers to the wastewater
11 revolving loan program established by IC 5-1.2-10.

12 **Sec. 82. "Wastewater SRF fund"** refers to the wastewater
13 revolving loan fund established by IC 5-1.2-10.

14 **Sec. 83. "Water infrastructure assistance program"** refers to
15 the infrastructure assistance program established by IC 5-1.2-14.

16 **Chapter 3. Indiana Finance Authority**

17 **Sec. 1. (a)** There is established for the public purposes set forth
18 in this article a body politic and corporate, not a state agency but
19 an independent instrumentality exercising essential public
20 functions, to be known as the Indiana finance authority. The
21 authority is separate and apart from the state in its corporate and
22 sovereign capacity, and though separate from the state, the
23 exercise by the authority of its powers constitutes an essential
24 governmental, public, and corporate function.

25 (b) The authority is composed of seven (7) members.

26 (c) The following five (5) members are voting members:

27 (1) The director of the office of management and budget, or
28 the director's designee, who shall serve as chair of the
29 authority.

30 (2) The treasurer of state, or the treasurer of state's designee.

31 (3) Three (3) members appointed by the governor, not more
32 than two (2) of whom may be from the same political party.

33 (d) The sixth and seventh members are nonvoting members.
34 Each of these members must be a member of the general assembly.
35 The chairperson and the vice chairperson of the legislative council
36 shall each appoint one (1) of the nonvoting members.

37 (e) All members must be residents of Indiana.

38 **Sec. 2. (a)** Appointments to the authority under section 1(c)(3)
39 of this chapter are for terms of four (4) years. Each member
40 appointed to the authority under section 1(c)(3) of this chapter:

41 (1) holds office for the term of this appointment;

42 (2) continues to serve after expiration of the appointment until



- 1 a successor is appointed and qualified;
 2 (3) is eligible for reappointment; and
 3 (4) may be removed from office by the governor with or
 4 without cause and serves at the pleasure of the governor.
 5 The governor shall fill a vacancy for the unexpired term of any
 6 member appointed under section 1(c)(3) of this chapter.
 7 (b) The appointment to the authority under section 1(d) of this
 8 chapter is for a term of two (2) years. A member appointed to the
 9 authority under section 1(d) of this chapter:
 10 (1) holds office for the term of this appointment;
 11 (2) continues to serve after expiration of the appointment until
 12 a successor is appointed and qualified;
 13 (3) is eligible for reappointment; and
 14 (4) may be removed from office by the appointing authority
 15 with or without cause and serves at the pleasure of the
 16 appointing authority.
 17 The appointing authority shall fill a vacancy for the unexpired
 18 term of a member appointed under section 1(d) of this chapter.
 19 Sec. 3. (a) The members shall elect from among their number a
 20 vice chair and other officers as they may determine.
 21 (b) The members of the authority are entitled to reimbursement
 22 for traveling expenses and other expenses actually incurred in
 23 connection with their duties as provided by law. Members are not
 24 entitled to the salary per diem provided by IC 4-10-11-2.1(b) or
 25 any other compensation while performing their duties.
 26 Sec. 4. The powers of the authority are vested in the members.
 27 Three (3) members of the authority constitute a quorum for the
 28 transaction of business. The affirmative vote of at least three (3)
 29 members is necessary for any action to be taken by the authority.
 30 Members may vote by written proxy delivered in advance to any
 31 other member who is present at the meeting. A vacancy in the
 32 membership of the authority does not impair the right of a quorum
 33 to exercise all rights and perform all duties of the authority.
 34 Sec. 5. Meetings of the members of the authority shall be held at
 35 the call of the chair or whenever any three (3) members so request.
 36 The members shall meet at least once every three (3) months to
 37 attend to the business of the authority.
 38 Sec. 6. The governor shall appoint the public finance director,
 39 who serves at the pleasure of the governor. The public finance
 40 director shall:
 41 (1) administer, manage, and direct the affairs and activities of
 42 the authority and the employees of the authority in



1 accordance with the policies and under the control and
2 direction of the members of the authority;

3 (2) approve all accounts for salaries, allowable expenses of the
4 authority or of any employee or consultant, and expenses
5 incidental to the operation of the authority; and

6 (3) perform other duties as may be directed by the members
7 of the authority in carrying out the purposes of the referenced
8 statutes.

9 Sec. 7. The public finance director, or the public finance
10 director's designee, shall attend the meetings of the members of the
11 authority, shall keep a record of the proceedings of the authority,
12 and shall maintain and be custodian of all books, documents, and
13 papers filed with the authority and its official seal. The public
14 finance director may make copies of all minutes and other records
15 and documents of the authority and may give certificates under
16 seal of the authority to the effect that the copies are true copies. All
17 persons dealing with the authority may rely upon these certificates.

18 Sec. 8. (a) The authority may, without the approval of the
19 attorney general or any other state officer, employ bond counsel,
20 other legal counsel, technical experts, and such other officers,
21 agents, and employees, permanent or temporary, as the authority
22 considers necessary to carry out the efficient operation of the
23 authority, and shall determine their qualifications, duties,
24 compensation, and terms of service. The authority shall fix the
25 compensation of the public finance director.

26 (b) The members of the authority may adopt a resolution
27 delegating to:

28 (1) a member of the authority;

29 (2) the public finance director; or

30 (3) one (1) or more agents or employees of the authority;

31 administrative duties that they consider proper, including the
32 powers of the authority set forth in this chapter.

33 (c) Employees of the authority shall not be considered
34 employees of the state.

35 Sec. 9. Any member or employee of the authority who has, will
36 have, or later acquires an interest, direct or indirect, in any
37 transaction with the authority shall immediately disclose the
38 nature and extent of the interest in writing to the authority as soon
39 as the member or employee has knowledge of the actual or
40 prospective interest. The disclosure shall be announced in an open
41 meeting and entered in the minutes of the authority. Upon
42 disclosure, the member or employee shall not participate in any



1 action by the authority authorizing the transaction. An interest
 2 shall not invalidate actions by the authority with the participation
 3 of the disclosing member before the time when the member became
 4 aware of the interest or should reasonably have become aware of
 5 the interest.

6 **Sec. 10.** Notwithstanding any other law, no officer or employee
 7 of the state forfeits the officer's or employee's office or employment
 8 by reason of the officer's or employee's acceptance of membership
 9 in the authority or by reason of the officer or employee providing
 10 services to the authority.

11 **Sec. 11. (a)** Each member of the authority, the public finance
 12 director, and any other employee or agent of the authority
 13 authorized by resolution of the authority to handle funds or sign
 14 checks, before beginning the individual's duties, shall execute a
 15 surety bond in the penal sum of fifty thousand dollars (\$50,000). To
 16 the extent an individual described in this section is already covered
 17 by a bond required by state law, the individual need not obtain
 18 another bond so long as the bond required by state law is in at least
 19 the penal sum specified in this section and covers the individual's
 20 activities for the authority. Instead of a bond, the chair of the
 21 authority may execute a blanket surety bond covering each
 22 member and the employees or other officers of the authority. Each
 23 surety bond shall be conditioned upon the faithful performance of
 24 the individual's duties and shall be issued by a surety company
 25 authorized to transact business in this state as surety. At all times
 26 after the issuance of any surety bonds, each individual described in
 27 this section shall maintain the surety bonds in full force and effect.
 28 All costs of the surety bonds shall be borne by the authority.

29 **(b)** The public finance director, before beginning the public
 30 finance director's duties, must:

- 31 (1) execute a surety bond as provided in subsection (a); or
- 32 (2) be included in the coverage of a blanket surety bond
- 33 described in subsection (a).

34 **Chapter 4. General Powers and Duties**

35 **Sec. 1. (a)** The authority is granted all powers necessary or
 36 appropriate to carry out and effectuate its public and corporate
 37 purposes under the referenced statutes, including the following:

- 38 (1) Have perpetual succession as a body politic and corporate
- 39 and an independent instrumentality exercising essential public
- 40 functions.
- 41 (2) Without complying with IC 4-22-2, adopt, amend, and
- 42 repeal bylaws, rules, guidelines, and policies not inconsistent



1 with the referenced statutes, and necessary or convenient to
2 regulate its affairs and to carry into effect the powers, duties,
3 and purposes of the authority and conduct its business under
4 the referenced statutes. These bylaws, rules, guidelines, and
5 policies must be made by a resolution of the authority
6 introduced at one (1) meeting and approved at a subsequent
7 meeting of the authority.

8 (3) Sue and be sued in its own name.

9 (4) Have an official seal and alter it at will.

10 (5) Maintain an office or offices at a place or places within the
11 state as it may designate.

12 (6) Make, execute, and enforce contracts and all other
13 instruments necessary, convenient, or desirable for the
14 purposes of the authority or pertaining to:

15 (A) a purchase, acquisition, or sale of securities or other
16 investments; or

17 (B) the performance of the authority's duties and execution
18 of any of the authority's powers under the referenced
19 statutes.

20 (7) Employ architects, engineers, attorneys, space planners,
21 construction managers, inspectors, accountants, agriculture
22 experts, silviculture experts, aquaculture experts, health care
23 experts, and financial experts, and any other advisers,
24 consultants, and agents as may be necessary in its judgment
25 and to fix their compensation and contract for the creation of
26 plans and specifications for a facility.

27 (8) Procure insurance against any loss in connection with its
28 property and other assets, including loans and loan notes in
29 amounts and from insurers as it may consider advisable.

30 (9) Borrow money, make guaranties, issue bonds, and
31 otherwise incur indebtedness for any of the authority's
32 purposes, and issue debentures, notes, or other evidence of
33 indebtedness, whether secured or unsecured, to any person, as
34 provided by the referenced statutes. Notwithstanding any
35 other law, the:

36 (A) issuance by the authority of any indebtedness that
37 establishes a procedure for the authority or a person acting
38 on behalf of the authority to certify to the general assembly
39 the amount needed to restore a debt service reserve fund
40 or another fund to required levels; or

41 (B) execution by the authority of any other agreement that
42 creates a moral obligation of the state to pay all or part of



1 any indebtedness issued by the authority;
2 is subject to review by the budget committee and approval by
3 the budget director.

4 **(10) Procure insurance or guaranties from any public or**
5 **private entities, including any department, agency, or**
6 **instrumentality of the United States, to guarantee, insure,**
7 **coinsure, and reinsure against political and commercial risk**
8 **of loss, and any other insurance the authority considers**
9 **necessary, including insurance to secure payment:**

10 **(A) on a loan, lease, or purchase payment owed by a**
11 **participating provider to the authority; and**

12 **(B) of any bonds issued by the authority, including the**
13 **power to pay premiums on any insurance, reinsurance, or**
14 **guarantee.**

15 **(11) Purchase, receive, take by grant, gift, devise, bequest, or**
16 **otherwise, and accept, from any source, aid or contributions**
17 **of money, property, labor, or other things of value to be held,**
18 **used, and applied to carry out the purposes of the referenced**
19 **statutes, subject to the conditions upon which the grants or**
20 **contributions are made, including but not limited to gifts or**
21 **grants from any department, agency, or instrumentality of the**
22 **United States, and lease (as lessee or lessor) or otherwise**
23 **acquire, own, hold, improve, employ, use, or otherwise deal in**
24 **and with real or personal property or any interest in real or**
25 **personal property, wherever situated, for any purpose**
26 **consistent with the referenced statutes.**

27 **(12) Enter into agreements with any department, agency, or**
28 **instrumentality of the United States or this state and with**
29 **lenders and enter into loan agreements, sales contracts,**
30 **financial assistance agreements, and leases with contracting**
31 **parties, including participants for any purpose allowed under**
32 **IC 5-1.2-10, IC 5-1.2-11, or IC 5-1.2-14, borrowers, lenders,**
33 **developers, or users, for the purpose of planning, regulating,**
34 **and providing for the financing and refinancing of any**
35 **economic development project, for any purpose allowed**
36 **under IC 5-1.2-10, IC 5-1.2-11, or IC 5-1.2-14, or intrastate**
37 **and interstate sales, transactions and business activities or**
38 **international exports, and distribute data and information**
39 **concerning the encouragement and improvement of economic**
40 **development projects, intrastate and interstate sales,**
41 **transactions and business activities, international exports, and**
42 **other types of employment in the state undertaken with the**



- 1 assistance of the authority under this article.
- 2 (13) Enter into contracts or agreements with lenders and
3 lessors for the servicing and processing of loans and leases
4 pursuant to the referenced statutes.
- 5 (14) Provide technical assistance to local public bodies and to
6 for profit and nonprofit entities in the development or
7 operation of economic development projects.
- 8 (15) To the extent allowed under its contract with the holders
9 of the bonds of the authority, consent to any modification with
10 respect to the rate of interest, time, and payment of any
11 installment of principal or interest, or any other term of any
12 contract, loan, loan note, loan note commitment, contract,
13 lease, or agreement of any kind to which the authority is a
14 party.
- 15 (16) To the extent allowed under its contract with the holders
16 of bonds of the authority, enter into contracts with any lender
17 containing provisions enabling it to reduce the rental or
18 carrying charges to persons unable to pay the regular
19 schedule of charges when, by reason of other income or
20 payment by any department, agency, or instrumentality of the
21 United States or of this state, the reduction can be made
22 without jeopardizing the economic stability of the economic
23 development project being financed.
- 24 (17) Notwithstanding IC 5-13, but subject to the requirements
25 of any trust agreement entered into by the authority, invest:
26 (A) the authority's money, funds, and accounts;
27 (B) any money, funds, and accounts in the authority's
28 custody; and
29 (C) proceeds of bonds or notes;
30 in the manner provided by an investment policy established
31 by resolution of the authority.
- 32 (18) Fix and revise periodically, and charge and collect, fees
33 and charges as the authority determines to be reasonable in
34 connection with:
35 (A) the authority's loans, guarantees, advances, insurance,
36 commitments, and servicing; and
37 (B) the use of the authority's services or facilities.
- 38 (19) Cooperate and exchange services, personnel, and
39 information with any federal, state, or local government
40 agency, or instrumentality of the United States or this state.
- 41 (20) Sell, at public or private sale, with or without public
42 bidding, any loan or other obligation held by the authority.



- 1 **(21) Enter into agreements concerning, and acquire, hold, and**
 2 **dispose by any lawful means, land or interests in land,**
 3 **building improvements, structures, personal property,**
 4 **franchises, patents, accounts receivable, loans, assignments,**
 5 **guarantees, and insurance needed for the purposes of the**
 6 **referenced statutes.**
- 7 **(22) Purchase, lease as lessee, construct, remodel, rebuild,**
 8 **enlarge, or substantially improve economic development**
 9 **projects, including land, machinery, equipment, or any**
 10 **combination of these.**
- 11 **(23) Lease economic development projects to users or**
 12 **developers, with or without an option to purchase.**
- 13 **(24) Sell economic development projects to users or**
 14 **developers, for consideration to be paid in installments or**
 15 **otherwise.**
- 16 **(25) Make direct loans from the proceeds of the bonds to users**
 17 **or developers for:**
- 18 **(A) the cost of acquisition, construction, or installation of**
 19 **economic development projects, including land,**
 20 **machinery, equipment, or any combination of these; or**
- 21 **(B) eligible expenditures for an educational facility project;**
 22 **with the loans to be secured by the pledge of one (1) or more**
 23 **bonds, notes, warrants, or other secured or unsecured debt**
 24 **obligations of the users or developers.**
- 25 **(26) Lend or deposit the proceeds of bonds to or with a lender**
 26 **for the purpose of furnishing funds to the lender to be used**
 27 **for making a loan to a developer or user for the financing of**
 28 **economic development projects under this article.**
- 29 **(27) Enter into agreements with users or developers to allow**
 30 **the users or developers, directly or as agents for the authority,**
 31 **to wholly or partially construct economic development**
 32 **projects to be leased from or to be acquired by the authority.**
- 33 **(28) Establish reserves from the proceeds of the sale of bonds,**
 34 **other funds, or both, in the amount determined to be**
 35 **necessary by the authority to secure the payment of the**
 36 **principal of and interest on the bonds.**
- 37 **(29) Adopt rules and guidelines governing its activities**
 38 **authorized under the referenced statutes.**
- 39 **(30) Purchase, discount, sell, and negotiate, with or without**
 40 **guaranty, notes and other evidence of indebtedness.**
- 41 **(31) Sell and guarantee securities.**
- 42 **(32) Procure letters of credit or other credit facilities or**



- 1 agreements from any national or state banking association or
 2 other entity authorized to issue a letter of credit or other
 3 credit facilities or agreements to secure the payment of any
 4 bonds issued by the authority or to secure the payment of any
 5 loan, lease, or purchase payment owed by a participating
 6 provider to the authority, including the power to pay the cost
 7 of obtaining such letter of credit or other credit facilities or
 8 agreements.
- 9 (33) Accept gifts, grants, or loans from, and enter into
 10 contracts or other transactions with, any federal or state
 11 agency, municipality, private organization, or other source.
- 12 (34) Sell, convey, mortgage, pledge, assign, lease, exchange,
 13 transfer, or otherwise dispose of property or any interest in
 14 property, wherever the property is located.
- 15 (35) Reimburse from bond proceeds expenditures for
 16 economic development projects under this article.
- 17 (36) Acquire, hold, use, and dispose of the authority's income,
 18 revenues, funds, and money.
- 19 (37) Purchase, acquire, or hold debt securities or other
 20 investments for the authority's own account at prices and in
 21 a manner the authority considers advisable, and sell or
 22 otherwise dispose of those securities or investments at prices
 23 without relation to cost and in a manner the authority
 24 considers advisable.
- 25 (38) Fix and establish terms and provisions with respect to:
 26 (A) a purchase of securities by the authority, including
 27 dates and maturities of the securities;
 28 (B) redemption or payment before maturity; and
 29 (C) any other matters that in connection with the purchase
 30 are necessary, desirable, or advisable in the judgment of
 31 the authority.
- 32 (39) To the extent allowed under the authority's contracts
 33 with the holders of bonds or notes, amend, modify, and
 34 supplement any provision or term of:
 35 (A) a bond, a note, or any other obligation of the authority;
 36 or
 37 (B) any agreement or contract of any kind to which the
 38 authority is a party.
- 39 (40) Subject to the authority's investment policy, do any act
 40 and enter into any agreement pertaining to a swap agreement
 41 (as defined in IC 8-9.5-9-4) related to the purposes of the
 42 referenced statutes in accordance with IC 8-9.5-9-5 and



1 **IC 8-9.5-9-7, whether the action is incidental to the issuance,**
 2 **carrying, or securing of bonds or otherwise.**

3 **(41) Do any act necessary or convenient to the exercise of the**
 4 **powers granted by the referenced statutes, or reasonably**
 5 **implied from those statutes, including compliance with**
 6 **requirements of federal law imposed from time to time for the**
 7 **issuance of bonds.**

8 **(b) The authority's powers under this article shall be**
 9 **interpreted broadly to effectuate the purposes of this article and**
 10 **may not be construed as a limitation of powers. The omission of a**
 11 **power from the list in subsection (a) does not imply that the**
 12 **authority lacks that power. The authority may exercise any power**
 13 **that is not listed in subsection (a) but is consistent with the powers**
 14 **listed in subsection (a) to the extent that the power is not expressly**
 15 **denied by the Constitution of the State of Indiana or by another**
 16 **statute.**

17 **(c) This chapter does not authorize the financing of economic**
 18 **development projects for a developer unless any written agreement**
 19 **that may exist between the developer and the user at the time of the**
 20 **bond resolution is fully disclosed to and approved by the authority.**

21 **(d) The authority shall work with and assist the Indiana housing**
 22 **and community development authority created by IC 5-20-1-3, the**
 23 **ports of Indiana created under IC 8-10-1-3, and the state fair**
 24 **commission established by IC 15-13-2-1 in the issuance of bonds,**
 25 **notes, or other indebtedness. The Indiana housing and community**
 26 **development authority, the ports of Indiana, and the state fair**
 27 **commission shall work with and cooperate with the authority in**
 28 **connection with the issuance of bonds, notes, or other indebtedness.**

29 **Sec. 2. The authority:**

30 **(1) may not deal in securities within the meaning of or subject**
 31 **to any securities law, securities exchange law, or securities**
 32 **dealers law of the United States or of the state of Indiana or**
 33 **of any other state or jurisdiction, domestic or foreign, except**
 34 **as authorized in the referenced statutes;**

35 **(2) may not:**

36 **(A) emit bills of credit;**

37 **(B) accept deposits of money for time or demand deposit;**

38 **(C) administer trusts;**

39 **(D) engage in any form or manner, or in the conduct of,**
 40 **any private or commercial banking business; or**

41 **(E) act as a savings bank, savings association, or any other**
 42 **kind of financial institution; and**



- 1 (3) may not engage in any form of private or commercial
2 banking business.
- 3 **Sec. 3. (a) The authority may issue bonds or notes and invest or**
4 **loan the proceeds of those bonds or notes to a participant for the**
5 **purposes of one (1) or more programs.**
- 6 (b) If the authority loans money to or purchases debt securities
7 of a political subdivision, the authority may, by the resolution
8 approving the bonds or notes, provide that subsection (c) is
9 applicable to the political subdivision.
- 10 (c) Notwithstanding any other law or any other right in an
11 agreement with the authority, any state department or state
12 agency, including the treasurer of state, that is the custodian of
13 money payable to a political subdivision, other than money in
14 payment for goods or services provided by the political subdivision,
15 at any time after written notice from the public finance director
16 that the political subdivision is in default on the payment of
17 principal or interest on the obligations then held or owned by or
18 arising from an agreement with the authority, the state department
19 or state agency shall:
- 20 (1) withhold payment of money from that political
21 subdivision; and
- 22 (2) pay over the money to the authority for the purpose of
23 paying principal of and interest on the bonds or notes of the
24 authority.
- 25 However, the withholding of payment from the political
26 subdivision and payment to the authority under this section must
27 not adversely affect the validity of the obligation in default.
- 28 (d) Upon receiving notice from the authority that the political
29 subdivision has failed to pay when due the principal or interest on
30 the obligations of the political subdivision then held or owned by or
31 arising from an agreement with the authority, the fiscal officer (as
32 defined in IC 36-1-2-7) of the county, for any county in which the
33 political subdivision is wholly or partially located, shall do the
34 following:
- 35 (1) Reduce the amount of any revenues or other money or
36 property that:
- 37 (A) is held, possessed, maintained, controlled, or otherwise
38 in the custody of the county or a department, an agency, or
39 an instrumentality of the county; and
- 40 (B) would otherwise be available for distribution to the
41 political subdivision under any other law;
- 42 by an amount equal to the amount of the political



- 1 subdivision's unpaid obligations.
- 2 (2) Pay the amount by which the revenues or other money or
- 3 property is reduced under subdivision (1) to the authority to
- 4 pay the principal of and interest on bonds or other obligations
- 5 of the authority.
- 6 (3) Notify the political subdivision that the revenues or other
- 7 money or property, which would otherwise be available for
- 8 distribution to the political subdivision, has been reduced by
- 9 an amount necessary to satisfy all or part of the political
- 10 subdivision's unpaid obligations to the authority.
- 11 (e) This subsection applies to securities of a political subdivision
- 12 acquired by the authority, or arising from an agreement with the
- 13 authority, that is covered by subsection (d). A reduction under
- 14 subsection (d) must be made as follows:
- 15 (1) First, from local income tax distributions under IC 6-3.6-9
- 16 that would otherwise be distributed to the political
- 17 subdivision under the schedules in IC 6-3.6-9-12 and
- 18 IC 6-3.6-9-16.
- 19 (2) Second, from any other revenues or other money or
- 20 property that:
- 21 (A) is held, possessed, maintained, or controlled by, or
- 22 otherwise in the custody of, the county or a department, an
- 23 agency, or an instrumentality of the county; and
- 24 (B) would otherwise be available for distribution to the
- 25 political subdivision under any other law.
- 26 **Sec. 4. In addition to the powers listed in section 1 of this**
- 27 **chapter, the authority may:**
- 28 (1) enter into leases and issue bonds under terms and
- 29 conditions determined by the authority and use the proceeds
- 30 of the bonds to:
- 31 (A) acquire obligations issued by any entity authorized to
- 32 acquire, finance, construct, or lease capital improvements
- 33 under IC 5-1-17;
- 34 (B) acquire any obligations issued by the northwest
- 35 Indiana regional development authority established by
- 36 IC 36-7.5-2-1; or
- 37 (C) carry out the purposes of IC 5-1-17.5 within a
- 38 motorsports investment district.
- 39 (2) perform any other functions determined by the authority
- 40 to be necessary or appropriate to carry out the purposes of
- 41 this section.
- 42 **Sec. 5. (a) This section does not apply to any indebtedness issued**



- 1 by the authority if:
- 2 (1) the proceeds will be used for a project that has been
- 3 specifically authorized by the general assembly; or
- 4 (2) the indebtedness is authorized under the referenced
- 5 statutes.
- 6 (b) Notwithstanding any other law in effect before:
- 7 (1) the authority issues indebtedness that establishes a
- 8 procedure for the authority or a person acting on behalf of the
- 9 authority to certify to the general assembly the amount
- 10 needed to restore a debt service reserve fund or another fund
- 11 to a required level; or
- 12 (2) execution by the authority of any other agreement that
- 13 creates a moral obligation of the state to pay all or any part of
- 14 any indebtedness issued by the authority;
- 15 the authority is subject to, and shall comply with, to the extent
- 16 practicable, the requirements set forth in IC 5-1.5-5-4(c) through
- 17 IC 5-1.5-5-4(g) as if the authority were specifically named in
- 18 IC 5-1.5-5-4(c) through IC 5-1.5-5-4(g).
- 19 (c) In addition:
- 20 (1) indebtedness described in IC 5-1.5-5-4(c) through
- 21 IC 5-1.5-5-4(g) is considered a reference to an indebtedness or
- 22 agreement referred to in this section; and
- 23 (2) a qualified entity referred to in IC 5-1.5-5-4(c) through
- 24 IC 5-1.5-5-4(g) is considered a reference to a borrower of any
- 25 indebtedness and to any other parties referred to in this
- 26 section.
- 27 Sec. 6. (a) The authority has the power to borrow money and to
- 28 issue its bonds from time to time in the principal amounts as the
- 29 authority determines are necessary to provide sufficient funds to
- 30 carry out its purposes, powers, and programs, including:
- 31 (1) carrying out the purposes, powers, and programs stated in
- 32 this article;
- 33 (2) the payment of interest on bonds of the authority;
- 34 (3) the establishment of reserves to secure the bonds; and
- 35 (4) all other expenditures of the authority incident to,
- 36 necessary, and convenient to carry out the authority's
- 37 purposes, powers, and programs.
- 38 (b) The authority may also issue bonds in the manner and for
- 39 the purposes provided by the referenced statutes.
- 40 Sec. 7. Except as may otherwise be expressly provided by the
- 41 authority, every issue of its bonds shall be obligations of the
- 42 authority payable solely out of any specified revenue or money of



1 the authority, subject only to any agreements with the holders of
2 particular bonds pledging any particular money or revenue. The
3 bonds may be additionally secured by a pledge of any grant,
4 contribution, or guarantee from the federal government or any
5 corporation, limited liability company, association, institution, or
6 person or a pledge of any money, income, or revenue of the
7 authority from any source.

8 **Sec. 8.** No bonds issued by the authority under this article shall
9 constitute a debt, liability, or obligation of the state, or a pledge of
10 the faith and credit of the state, but shall be payable solely as
11 provided by section 7 of this chapter. Each bond issued under this
12 article shall contain on its face a statement that neither the faith
13 and credit nor the taxing power of the state is pledged to the
14 payment of the principal of or the interest on the bond.

15 **Sec. 9.** The bonds shall be authorized by a resolution of the
16 authority, shall bear the date or dates, and shall mature at a time
17 or times as the resolution may provide, except that no bond shall
18 mature more than fifty (50) years from the date of its issue. The
19 bonds shall be in denominations, be in the form, either coupon or
20 registered, carry the conversion or registration privileges, be
21 executed in the manner, be payable in the medium of payment at
22 the place or places inside or outside Indiana, and be subject to the
23 terms of redemption, including redemption prior to maturity, as
24 the resolution or any trust agreement or indenture of the authority
25 securing the bonds may provide. The bonds shall bear interest at
26 a rate or rates that may be fixed, variable, fixed convertible to
27 variable, variable convertible to fixed, or any combination of these
28 rates. Variable rates shall be determined in the manner and in
29 accordance with the provisions set forth in the resolution or the
30 trust agreement or indenture securing the bonds. The interest on
31 the bonds may be payable at the time or times or at the interval or
32 intervals as may be provided in the resolution or the trust
33 agreement or indenture securing the bonds, including the
34 compounding and payment of interest at maturity or at any other
35 time or times as may be specified in the resolution, trust
36 agreement, or indenture. The bonds and their issuance shall not be
37 subject to the provisions of any other statute concerning bonds or
38 the issuance of bonds. Bonds of the authority may be sold by the
39 authority at public or private sale, and at a price or prices as the
40 authority shall determine. No action to contest the validity of any
41 bonds issued or guarantees entered into by the authority under this
42 article shall be commenced more than thirty (30) days following



1 the adoption of the resolution approving such bonds or guarantees
2 as provided in section 10 of this chapter.

3 **Sec. 10. Any resolution authorizing the issuance of bonds or**
4 **trust agreement or indenture pursuant to which the bonds are**
5 **issued may contain provisions, which shall be a part of the contract**
6 **or contracts with the holders of the bonds, as to the following:**

7 (1) Pledging all or any part of the revenue of the authority to
8 secure the payment of the bonds, subject to agreements with
9 bondholders as may then exist.

10 (2) Pledging all or any part of the assets of the authority,
11 including loans and obligations securing the loans and
12 obligations, to secure the payment of the bonds, subject to
13 agreements with bondholders as may then exist.

14 (3) The use and disposition of the gross income from loans
15 owned by the authority and payment of the principal of loans
16 owned by the authority.

17 (4) The setting aside of reserves or sinking funds and the
18 regulation and disposition of these reserves or sinking funds.

19 (5) Limitations on the purposes to which or the investments in
20 which the proceeds from the sale of bonds may be applied and
21 pledging the proceeds to secure the payment of the bonds.

22 (6) Limitations on the issuance of additional bonds, the terms
23 upon which additional bonds may be issued and secured, and
24 the refunding of outstanding or other bonds.

25 (7) The procedure, if any, by which the terms of any contract
26 with bondholders may be amended or abrogated, the amount
27 of bonds the holders must consent to, and the manner in
28 which the consent may be given.

29 (8) Limitations on the amount of money to be expended by the
30 authority for operating expenses of the authority.

31 (9) Vesting in a trustee or trustee property, rights, powers,
32 and trust as the authority may determine, and limiting or
33 abrogating the right of the bondholders to appoint a trustee
34 or limiting the rights, powers, and duties of the trustee.

35 (10) Defining the acts or omissions that constitute a default
36 and the obligations or duties of the authority to the holders of
37 the bonds, and providing for the rights and remedies of the
38 holders of the bonds in the event of a default, including as a
39 matter of right the appointment of a receiver. However, the
40 rights and remedies shall not be inconsistent with the general
41 laws of this state and this article.

42 (11) The rentals, fees, and other amounts to be charged, and



1 the amounts to be raised in each year and the use, investment,
2 and disposition of these amounts.

3 **(12) Any other matter, of like or different character, which in**
4 **any way affects the security or protection of the holders of the**
5 **bonds.**

6 **Sec. 11. (a) The authority has the power to issue, from time to**
7 **time, bonds to renew or to pay bonds, including the interest on**
8 **these bonds, whenever the authority considers refunding expedient,**
9 **to refund any bonds by the issuance of new bonds, whether the**
10 **bonds to be refunded have or have not matured, and to issue bonds**
11 **partly to refund outstanding bonds and partly for any other of its**
12 **purposes, powers, and programs.**

13 **(b) The refunding bonds may be sold and the proceeds applied**
14 **to the purchase, redemption, or payment of the bonds to be**
15 **refunded, or exchanged for the bonds to be refunded.**

16 **(c) A savings to the authority or to the unit issuing the bonds to**
17 **be refunded is not required for the issuance of the refunding bonds**
18 **or the issuance of bonds to refund refunding bonds. Refunding**
19 **bonds issued under this article are payable out of any specified**
20 **revenue or money of the authority, subject only to any agreements**
21 **with the holders of particular bonds pledging any particular money**
22 **or revenue.**

23 **(d) Refunding bonds issued under this section are not:**

24 **(1) in any respect a general obligation of the authority; and**

25 **(2) payable in any manner from revenues raised by taxation.**

26 **Sec. 12. Any pledge made by the authority is valid and binding**
27 **from the time when the pledge is made. The revenue, money, or**
28 **properties so pledged and received by the authority after the**
29 **pledge is immediately subject to the lien of the pledge without any**
30 **physical delivery or further act, and the lien of any pledge is valid**
31 **and binding against all parties having claims of any kind in tort,**
32 **contract, or otherwise against the authority, irrespective of**
33 **whether the parties have notice. The resolution or any other**
34 **instrument by which a pledge is created does not need to be**
35 **recorded.**

36 **Sec. 13. The authority, subject to any agreements with**
37 **bondholders as may then exist, has the power out of any funds**
38 **available to purchase bonds of the authority, which, at the option**
39 **of the authority, shall be canceled after the purchase, at any**
40 **reasonable price which, if the bonds are then redeemable, shall not**
41 **exceed the redemption price then applicable plus accrued interest**
42 **to the next interest payment on the bond.**



1 **Sec. 14. The bonds may be secured by a trust agreement or**
2 **indenture by and between the authority and a corporate trustee,**
3 **which may be a bank having the power of a trust company or any**
4 **trust company within or without the state. The trust agreement or**
5 **indenture may contain provisions for protecting and enforcing the**
6 **rights and remedies of the bondholders as may be reasonable and**
7 **proper and not in violation of law, including covenants setting**
8 **forth the duties of the authority in relation to the exercise of the**
9 **authority's powers and the custody, safekeeping, and application**
10 **of all money related to the particular bond financing for which the**
11 **trust agreement or indenture exists. The authority may provide by**
12 **the trust agreement or indenture for the payment of the proceeds**
13 **of the bonds and the revenue to the trustee under the trust**
14 **agreement or indenture or other depository, and for the method of**
15 **disbursement of the proceeds, with safeguards and restrictions as**
16 **the authority may determine. All expenses incurred in carrying out**
17 **the trust agreement or indenture may be treated as a part of the**
18 **operating expenses of the authority. If the bonds are secured by a**
19 **trust agreement or indenture, the bondholders have no authority**
20 **to appoint a separate trustee to represent them.**

21 **Sec. 15. Whether the bonds are in the form and character of**
22 **negotiable instruments, the bonds are negotiable instruments,**
23 **subject only to provisions of the bonds relating to registration.**

24 **Sec. 16. Any bonds issued by the authority under this article**
25 **shall be executed by the manual or facsimile, except as otherwise**
26 **provided in this article, signatures of the officers or agents of the**
27 **authority that the authority designates. If bonds are issued**
28 **pursuant to a trust indenture, the manual authentication of each**
29 **bond by the trustee shall be required. If bonds are issued without**
30 **a trust indenture or trustee, at least one (1) of the officers or agents**
31 **of the authority shall manually execute each bond. If any of the**
32 **members or officers of the authority shall cease to be members or**
33 **officers of the authority before the delivery of any bonds or**
34 **coupons signed by them, their signatures or facsimiles shall**
35 **nevertheless be valid and sufficient for all purposes, the same as if**
36 **the members or officers had remained in office until the delivery.**
37 **Pending preparation of the definitive bonds, the authority may**
38 **issue interim receipts or certificates, which must be exchanged for**
39 **the definitive bonds.**

40 **Sec. 17. The members of the authority, the officers and**
41 **employees of the authority, the public finance director, any agents**
42 **of the authority, and any other persons executing bonds issued**



1 under the referenced statutes are not subject to personal liability
2 or accountability by reason of any act authorized by the referenced
3 statutes, including without limitation the issuance of bonds, the
4 failure to issue bonds, the execution of bonds, and the making of
5 guarantees.

6 **Sec. 18.** The authority may create and establish any funds and
7 accounts necessary or desirable for the authority's purposes.

8 **Sec. 19.** All money received by the authority, except as provided
9 in the referenced statutes, shall be deposited as soon as practical in
10 a separate account or accounts in banks or trust companies
11 organized under the laws of this state or in national banking
12 associations. The money in these accounts shall be paid out on
13 checks signed by the chair or other officers or employees of the
14 authority that the authority authorizes or by wire transfer or other
15 electronic means authorized by the authority. All deposits of
16 money shall, if required by the authority, be secured in a manner
17 that the authority determines to be prudent, and all banks or trust
18 companies are authorized to give security for the deposits.
19 Notwithstanding any other law to the contrary, all money received
20 pursuant to the referenced statutes are trust funds to be held and
21 applied solely as provided in the referenced statutes. The resolution
22 authorizing any obligations, or trust agreement or indenture
23 securing the same, may provide that any of the money may be
24 temporarily invested pending the disbursement of the money, and
25 shall provide that any officer with whom or any bank or trust
26 company with which the money is deposited shall act as trustee of
27 the money and shall hold and apply the money for the authorized
28 purposes of the authority, subject to the referenced statutes, the
29 authority's investment policy, and the resolution or trust
30 agreement or indenture.

31 **Sec. 20.** Notwithstanding section 19 of this chapter, the authority
32 has the power to contract with the holders of any of its bonds as to
33 the custody, collection, securing, investment, and payment of any
34 money of the authority and of any money held in trust or otherwise
35 for the payment of bonds, and to carry out the contract. Money
36 held in trust or otherwise for the payment of bonds or in any way
37 to secure bonds and deposits of money may be secured in the same
38 manner as money of the authority, and all banks and trust
39 companies are authorized to give security for the deposits.

40 **Sec. 21.** The state pledges to and agrees with the holder of any
41 bonds issued under this article that the state will not limit or alter
42 the rights vested in the authority to fulfill the terms of any



1 agreements made with bondholders or in any way impair the rights
 2 or remedies of bondholders until the bonds, together with the
 3 interest, with interest on any unpaid installments of interest, and
 4 all costs and expenses in connection with any action or proceeding
 5 by or on behalf of bondholders, are fully met and discharged. The
 6 authority is authorized to include this pledge and agreement of the
 7 state in any agreement with the bondholders.

8 **Sec. 22. Bonds issued under this article and:**

- 9 (1) proceeds received from their sale by a holder, to the extent
 10 of the holder's costs of acquisition;
 11 (2) proceeds received on their redemption before maturity;
 12 (3) proceeds received at their maturity; and
 13 (4) interest received on them;

14 are exempt from state taxes as provided by IC 6-8-5.

15 **Sec. 23. The bonds issued under this article by the authority are**
 16 **declared to be legal investments in which all public officers or**
 17 **public bodies of this state, its political subdivisions, all**
 18 **municipalities and municipal subdivisions, all insurance companies**
 19 **and associations and other persons carrying on insurance business,**
 20 **all banks, bankers, banking associations, trust companies, savings**
 21 **associations, including savings and loan associations, building and**
 22 **loan associations, investment companies, and other persons**
 23 **carrying on a banking business, all administrators, guardians,**
 24 **executors, trustees and other fiduciaries, and all other persons who**
 25 **are authorized to invest in bonds or in other obligations of this**
 26 **state, may invest funds, including capital, in their control or**
 27 **belonging to them. The bonds are also made securities that may be**
 28 **deposited with and received by all public officers and bodies of this**
 29 **state or any agency or political subdivisions of this state and all**
 30 **municipalities and public commissions for any purpose for which**
 31 **the deposit of bonds or other obligations of this state is authorized**
 32 **by law.**

33 **Sec. 24. The issuance of bonds and the adoption of rules under**
 34 **the referenced statutes need not comply with the requirements of**
 35 **any other state laws applicable to the issuance of the bonds or**
 36 **adoption of these rules. No proceedings, notice, or approval is**
 37 **required for the issuance of any bonds or any instrument or the**
 38 **security for the bonds or instrument, except as provided in the**
 39 **referenced statutes. All economic development projects for which**
 40 **funds are advanced, loaned, or otherwise provided by the authority**
 41 **under IC 5-1.2-9 must be in compliance with any land use, zoning,**
 42 **subdivision, and other laws of this state applicable to the land upon**



1 which the economic development project is located or is to be
2 constructed, but a failure to comply with these laws does not
3 invalidate any bonds issued to finance an economic development
4 project under IC 5-1.2-9.

5 Sec. 25. Any bonds issued by the authority pursuant to this
6 article and any other securities issued in connection with a
7 financing under this article are exempt from the registration and
8 other requirements of IC 23-19 and any other securities
9 registration laws.

10 Sec. 26. Any holder of bonds or any coupons appertaining to the
11 bonds, and the trustee under any trust agreement or resolution
12 authorizing the issuance of the bonds, except to the extent the
13 rights given in this article may be restricted by the trust agreement
14 or resolution, may, either at law or in equity, by suit, action,
15 mandamus, or other proceeding, protect and enforce any and all
16 rights under the laws of Indiana, or under the trust agreement or
17 resolution, or under any other contract executed by the authority
18 under this article, and enforce and compel the performance of all
19 duties required by this article or by the trust agreement or
20 resolution to be performed by the authority or by any officer of the
21 authority.

22 Sec. 27. (a) All expenses incurred by the authority in carrying
23 out the referenced statutes are payable solely from funds provided
24 under the referenced statutes, except to the extent payable from
25 grants or advances from participating providers or any other
26 entity, which grants or advances may be reimbursed from bond
27 proceeds, and nothing in the referenced statutes shall be construed
28 to authorize the authority to incur indebtedness or liability of the
29 state or any political subdivision.

30 (b) The authority shall annually prepare a budget that allocates
31 the expenses incurred by the authority in an equitable manner
32 among the programs administered by the authority.

33 Sec. 28. (a) Except as provided in subsection (b), all property,
34 both tangible and intangible, acquired or held by the authority
35 under the referenced statutes is declared to be public property used
36 for public and governmental purposes, and all the property and
37 income from the property is at all times exempt from all taxes
38 imposed by this state, any county, any city, or any other political
39 subdivision of this state, except for the financial institutions tax
40 imposed under IC 6-5.5.

41 (b) Property owned by the authority and:

42 (1) leased to a person for an economic development project;



1 or

2 (2) financed by a loan;

3 under IC 5-1.2-9 is not public property. The property and the
4 economic development project are subject to all taxes of this state
5 or any county, city, or other political subdivision of this state in the
6 same manner and subject to the same exemptions that apply to all
7 persons.

8 Sec. 29. The authority shall, following the close of each fiscal
9 year, submit an annual report of the authority's activities under
10 the referenced statutes for the preceding year to the governor, the
11 budget committee, and the general assembly. A report submitted
12 to the general assembly must be in an electronic format under
13 IC 5-14-6. Each report shall set forth a complete operating and
14 financial statement for the authority during the fiscal year it
15 covers.

16 Sec. 30. Notwithstanding any statute applicable to or
17 constituting any limitation on the investment or reinvestment of
18 funds by or on behalf of political subdivisions:

19 (1) a participant receiving financial assistance in connection
20 with a program may invest and reinvest funds that constitute,
21 replace, or substitute for the proceeds of bonds or other
22 evidence of indebtedness sold to the authority under the
23 program, together with any account or reserves of a
24 participant not funded with the proceeds of the bonds or other
25 evidence of indebtedness purchased by the authority but that
26 secure or provide payment for those bonds or other evidence
27 of indebtedness, in any instrument or other investment
28 authorized under a resolution of the authority; and

29 (2) a participant that is obligated to make payments on bonds
30 or other evidence of indebtedness purchased in connection
31 with the operation of a program may invest and reinvest
32 funds that constitute, replace, or substitute for the proceeds
33 of those bonds or other evidence of indebtedness, together
34 with any account or reserves of a participant not funded with
35 the proceeds of the bonds or other evidence of indebtedness
36 purchased under the program but that secure or provide
37 payment for those bonds or other evidence of indebtedness, in
38 any instrument or other investment authorized under a
39 resolution of the authority.

40 Sec. 31. (a) Notwithstanding any other law, a participant may
41 borrow money from the authority for any program by negotiating
42 a loan or other financial assistance directly with the authority and



1 without complying with requirements for the competitive sale of
 2 bonds, notes, or other obligations or evidence of indebtedness. A
 3 participant shall observe any existing contractual commitments to
 4 bondholders or other persons when entering into a financial
 5 assistance agreement.

6 (b) Notwithstanding any other law, a participant may issue and
 7 sell notes, the principal and accrued interest on which shall be paid
 8 with proceeds from the issuance of bonds or other available money
 9 at the time the notes are due. The notes must be issued under a
 10 resolution or ordinance and the proceeds must be used to carry out
 11 the purposes allowed by the program.

12 (c) A participant that issues notes under subsection (b) may
 13 renew or extend the notes periodically on terms agreed to with the
 14 authority, and the authority may purchase and sell the renewed or
 15 extended notes. Accrued interest on the date of renewal or
 16 extension may be paid or added to the principal amount of the note
 17 being renewed or extended.

18 (d) The notes issued by a participant under subsection (b),
 19 including any renewals or extensions, must mature:

20 (1) in the amounts; and

21 (2) at the times not exceeding four (4) years from the date of
 22 original issuance;

23 that are agreed to by the participant and the authority.

24 (e) Compliance with subsection (b) constitutes full authority for
 25 a participant to issue notes and sell the notes to the authority, and
 26 the participant is not required to comply with any other law
 27 applicable to the authorization, approval, issuance, and sale of the
 28 notes. The notes are:

29 (1) valid and binding obligations of the participant;

30 (2) enforceable in accordance with the terms of the notes; and

31 (3) payable solely from the sources specified in the resolution
 32 or ordinance authorizing the issuance of the notes.

33 (f) If the participant issues bonds, all or part of the proceeds of
 34 which will be used to pay notes issued under subsection (b), the:

35 (1) provisions of this section; or

36 (2) actual issuance by a participant of notes under subsection
 37 (b);

38 do not relieve the participant of the obligation to comply with the
 39 statutory requirements for the issuance of bonds.

40 Sec. 32. (a) Notwithstanding any other law, the authority,
 41 program, or the program related fund, or any person or agent
 42 acting on behalf of the authority, the program, or the program



1 related fund, is not liable in damages or otherwise to any
2 participant or party seeking to be a participant for any act or
3 omission in connection with a loan or other financial assistance, or
4 any application, service, or other undertaking, allowed by or taken
5 under this article applicable to any program or any related fund or
6 under any financial assistance agreement or related agreement or
7 understanding.

8 (b) No direction given by or service or other undertaking
9 allowed or taken under this article applicable to any program or
10 related fund or under any financial assistance agreement or related
11 agreement or understanding by the authority is a defense for or
12 otherwise excuses any act or omission of a participant otherwise
13 required or imposed by law upon a participant under any chapter
14 applicable to any program or related fund or under any financial
15 assistance agreement or related agreement or understanding.

16 Sec. 33. (a) Notwithstanding any other law and if provided in a
17 financial assistance agreement related to any program, any state
18 department or state agency, including the treasurer of state:

19 (1) that is the custodian of money payable to a participant,
20 other than money in payment for goods or services provided
21 by the participant; and

22 (2) after written notice from the public finance director that
23 the participant is in default on the payment of principal or
24 interest on a loan or evidence of other financial assistance
25 related to any program owed to the authority;

26 may withhold payment of money from that participant and pay
27 over the money to the authority as directed by the public finance
28 director, for the purpose of curing the default.

29 (b) The withholding of payment from the participant and
30 payment to the authority may not adversely affect the validity of
31 the loan or other financial assistance.

32 Sec. 34. A person who, with intent to defraud, knowingly or
33 intentionally makes a material misstatement in connection with an
34 application for a loan or other financial assistance pursuant to any
35 program commits a Level 6 felony.

36 Sec. 35. The public finance director shall prepare an annual
37 report that provides an update on transportation projects in which
38 the authority is involved. The report must be submitted to the
39 legislative council in an electronic format under IC 5-14-6.

40 Sec. 36. The authority, after consulting with the treasurer of
41 state, the Indiana bond bank, the budget agency, and the
42 commission for higher education, shall establish and periodically



1 update a state debt management plan. The plan must include at
 2 least the following provisions with respect to debt issued or to be
 3 issued by the authority, other bodies corporate and politic of the
 4 state, and state educational institutions:

- 5 (1) An inventory of existing debt.
 6 (2) Projections of future debt obligations.
 7 (3) Recommended criteria for the appropriate use of debt as
 8 a means to finance capital projects.
 9 (4) Recommended strategies to minimize costs associated with
 10 debt issuance.
 11 (5) An analysis of the impact of debt issued by all bodies
 12 corporate and politic and state educational institutions on the
 13 state budget.
 14 (6) Recommended guidelines for the prudent issuance of debt
 15 that creates a moral obligation of the state to pay all or part
 16 of the debt.
 17 (7) Recommended policies for the investment of:
 18 (A) proceeds of bonds, notes, or other obligations issued by
 19 bodies corporate and politic and state educational
 20 institutions; and
 21 (B) other money, funds, and accounts owned or held by a
 22 body corporate and politic.
 23 (8) Recommended policies for the establishment of a system
 24 of record keeping and reporting to meet the arbitrage rebate
 25 compliance requirements of the Internal Revenue Code.
 26 (9) Recommended policies for the preparation of financial
 27 disclosure documents, including official statements
 28 accompanying debt issues, comprehensive annual financial
 29 reports, and continuing disclosure statements. The
 30 recommended policies must include a provision for approval
 31 by the budget director of any statements or reports that
 32 include a discussion of the state's economic and fiscal
 33 condition.
 34 (10) Potential opportunities to more effectively and efficiently
 35 authorize and manage debt.
 36 (11) Recommendations to the budget director, the governor,
 37 and the general assembly with respect to financing of capital
 38 projects.

39 The recommendations to the general assembly under subdivision
 40 (11) must be in an electronic format under IC 5-14-6.

41 Chapter 5. State Facility Financing

42 Sec. 1. This chapter does not apply to the authority when acting



1 under any other statute for any other purpose.

2 **Sec. 2. At the request of the department of administration, the**
 3 **authority may provide for facilities for state agencies or branches**
 4 **of state government if the general assembly, by statute:**

5 (1) finds that the state needs renovation, refurbishing, or
 6 alteration of existing facilities or construction of additional
 7 facilities; and

8 (2) authorizes the authority to provide for the facilities.

9 **In providing for the facilities, the authority shall proceed under**
 10 **this chapter.**

11 **Sec. 3. To accomplish the governmental purposes of this**
 12 **chapter, the department of administration or applicable state**
 13 **agency may convey, transfer, or sell, with or without consideration,**
 14 **real property (including the buildings, structures, and**
 15 **improvements), title to which is held in the name of the state, to the**
 16 **authority, without being required to advertise or solicit bids or**
 17 **proposals.**

18 **Sec. 4. The department of administration may enter into a**
 19 **contract with the authority to renovate, refurbish, or alter a state**
 20 **facility owned by the state without advertising or soliciting bids or**
 21 **proposals under IC 4-13.6 or IC 5-22. However, in accomplishing**
 22 **the project to renovate, refurbish, or alter a state facility owned by**
 23 **the state, the authority shall comply with IC 4-13.5-1-8.**

24 **Sec. 5. The authority may borrow money from the public**
 25 **deposits insurance fund, a bank, an insurance company, an**
 26 **investment company, or any other person to carry out this chapter.**
 27 **The authority shall negotiate the terms of the loan contract.**

28 **Sec. 6. (a) For the purpose of providing money to carry out the**
 29 **provisions of this chapter with respect to:**

30 (1) the construction and equipment of a state facility;

31 (2) acquiring or providing a site or sites; or

32 (3) the refunding of any bonds or payment of any loan
 33 contract of the authority;

34 **the authority may, by resolution, issue and sell interest-bearing**
 35 **revenue bonds of the authority.**

36 **(b) The proceeds of the revenue bonds are appropriated for and**
 37 **may be used for the purpose for which the bonds may be issued**
 38 **under this chapter. The proceeds shall be deposited and disbursed**
 39 **in accordance with any provisions and restrictions that the**
 40 **authority may provide in:**

41 (1) the resolution or trust indenture authorizing:

42 (A) the issuance of the bonds in the first instance; or



- 1 **(B) the issuance of any refunding bonds; or**
 2 **(2) a trust indenture authorized and approved by resolution**
 3 **of the authority.**

4 **Sec. 7. Except for persons the authority considers necessary to**
 5 **prepare complete plans and specifications necessary for bidding**
 6 **for construction, the authority may not enter into:**

- 7 **(1) a contract for the performance of work, other than a**
 8 **contract of employment with a professional person or a**
 9 **commission employee; or**

- 10 **(2) a contract for the purchase or sale of materials or**
 11 **supplies;**

12 **without complying with IC 4-13-2 and the rules and procedures of**
 13 **the department of administration.**

14 **Sec. 8. (a) The authority shall consider economy of operation to**
 15 **the extent practicable in preparing and approving plans and**
 16 **specifications. The authority shall present plans and specifications**
 17 **for a state facility for approval to the department of administration**
 18 **and:**

- 19 **(1) if the state facility is designed to house the supreme court**
 20 **or court of appeals, the administrator of the supreme court**
 21 **for approval by the courts; and**

- 22 **(2) if the state facility is a correctional facility, the department**
 23 **of correction.**

24 **(b) After the plans and specifications have been approved by the**
 25 **authority under subsection (a), the authority shall advertise for**
 26 **and receive construction bids and award contracts to the best**
 27 **bidders in the same manner as required by law for the department**
 28 **of administration.**

29 **(c) With regard to participation by minority and women's**
 30 **business enterprises (as defined in IC 4-13-16.5-1 and**
 31 **IC 4-13-16.5-1.3), the authority shall act in the same manner as**
 32 **required by law for the department of administration.**

33 **Sec. 9. Except with respect to a correctional facility, the**
 34 **department of administration shall allocate space in each state**
 35 **facility to state agencies and departments of state government. The**
 36 **department of correction shall allocate space in correctional**
 37 **facilities under IC 11.**

38 **Sec. 10. If the authority is unable to agree with the owners,**
 39 **lessees, or occupants of any real property selected for the purposes**
 40 **of this chapter, the authority may proceed to procure the**
 41 **condemnation of the property under IC 32-24-1. The authority**
 42 **may not institute a proceeding until the authority has adopted a**



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resolution that:

- (1) describes the real property sought to be acquired and the purpose for which the real property is to be used;**
- (2) declares that the public interest and necessity require the acquisition by the authority of the property involved; and**
- (3) sets out any other facts that the authority considers necessary or pertinent.**

The resolution is conclusive evidence of the public necessity of the proposed acquisition and shall be referred to the attorney general for action, in the name of the authority, in the circuit or superior court of the county in which the real property is located.

Sec. 11. (a) Before or after the award of construction contracts, or the arranging of financing, the authority and the department of administration may negotiate a use and occupancy agreement. The budget agency, after consulting with the budget committee, must approve any use and occupancy agreement before the department of administration may execute the agreement. The use and occupancy agreement:

- (1) must set forth the terms and conditions of the use and occupancy;**
- (2) must set forth the amounts agreed to be paid at stated intervals for the use and occupancy;**
- (3) must provide that the department of administration is not obligated to continue to pay for the use and occupancy but is instead required to vacate the state facility if it is shown that the terms and conditions of the use and occupancy and the amount to be paid for the use and occupancy are unjust and unreasonable considering the value of the services and facilities being provided;**
- (4) must provide that the department of administration is required to vacate the state facility if funds have not been appropriated or are not available to pay any sum agreed to be paid for use and occupancy when due;**
- (5) may provide for costs such as maintenance, operations, taxes, and insurance to be paid by the department of administration;**
- (6) may contain an option to renew the agreement;**
- (7) may contain an option to purchase the state facility for an amount equal to the amount required to pay the principal of and interest on indebtedness of the authority incurred on account of the state facility and expenses of the authority attributable to the state facility;**



1 (8) may not provide for payment of sums for use and
 2 occupancy until the construction of the state facility has been
 3 completed and the state facility is available for use and
 4 occupancy by the department of administration; and

5 (9) may contain any other provisions agreeable to the
 6 authority and the department of administration.

7 (b) In determining just and reasonable amounts to be paid for
 8 the use and occupancy of the state facility under subsection (a)(3),
 9 the authority shall impose and collect amounts that in the
 10 aggregate will be sufficient to:

11 (1) pay the expenses of operation, maintenance, and repair of
 12 the state facility, to the extent that the expenses are not
 13 otherwise provided; and

14 (2) leave a balance of revenues from the state facility to pay
 15 the principal of and interest (including any reserve or sinking
 16 funds) on bonds or loans as they become due and retire them
 17 at or before maturity.

18 (c) The department of administration may negotiate and execute
 19 a use and occupancy agreement for all or any state agencies or
 20 branches of state government.

21 Sec. 12. Unless the use and occupancy agreement provides
 22 otherwise, the department of administration shall provide for the
 23 operation, maintenance, and repair of each state facility.

24 Sec. 13. (a) The general assembly authorizes the authority to
 25 continue to undertake and complete a project for the construction,
 26 equipping, purchasing, or leasing for Central Indiana
 27 Neuro-Diagnostic Institute and Advanced Treatment Center to
 28 replace the Larue D. Carter Memorial Hospital, including the
 29 borrowing of money or the issuance and sale of bonds, or both.

30 (b) This section does not authorize any:

31 (1) additional construction; or

32 (2) issuance of additional bonds or other evidence of
 33 indebtedness;

34 other than as described in subsection (a).

35 Chapter 6. Recreational Development Facilities and Park
 36 Projects

37 Sec. 1. At the request of the department of natural resources,
 38 the authority may provide for recreational facilities and park
 39 projects if the general assembly, by statute:

40 (1) finds that the state needs renovation, refurbishing, or
 41 alteration of a recreational facility or park project or the
 42 construction of a new recreational facility or park project;



- 1 **and**
 2 **(2) authorizes the authority to provide for the recreational**
 3 **facility or park project.**
 4 **In providing for the recreational facility or park project, the**
 5 **authority shall proceed under this chapter.**
 6 **Sec. 2. The general purposes of this chapter are the following:**
 7 **(1) To provide for the general health and welfare of Indiana**
 8 **citizens by the acquisition, construction, improvement, and**
 9 **operation of public recreational facilities.**
 10 **(2) To facilitate, support, and promote the development and**
 11 **use of the parks of the state.**
 12 **Sec. 3. This chapter applies only to recreational facilities and**
 13 **park projects and not to any other facilities or projects financed by**
 14 **the authority.**
 15 **Sec. 4. The exercise by the authority of the powers conferred by**
 16 **this chapter in the acquisition, construction, improvement,**
 17 **operation, and maintenance of a park project is an essential**
 18 **governmental function of the state.**
 19 **Sec. 5. (a) The authority may acquire sites or improvements**
 20 **from the department of natural resources.**
 21 **(b) The authority may make improvements and enter into**
 22 **agreements for use with the department of natural resources. The**
 23 **agreements:**
 24 **(1) do not need to be approved by the attorney general; and**
 25 **(2) must be approved by the:**
 26 **(A) budget agency, after consulting with the budget**
 27 **committee; and**
 28 **(B) governor;**
 29 **before the department of natural resources may execute the**
 30 **agreement.**
 31 **Sec. 6. The authority may lease property to the department of**
 32 **natural resources and others. A lease:**
 33 **(1) may provide for the operation, maintenance,**
 34 **improvement, or renovation of the property;**
 35 **(2) must contain standards for operation, quality of goods and**
 36 **services, and price of goods and services;**
 37 **(3) need not be approved by the attorney general or the**
 38 **governor;**
 39 **(4) may be executed by the:**
 40 **(A) chair or vice chair of the authority; and**
 41 **(B) public finance director; and**
 42 **(5) is binding on the state after advertisement one (1) time a**



1 week for two (2) weeks in two (2) newspapers published in
 2 Indianapolis. The first publication must be at least fourteen
 3 (14) days before a public hearing by the authority, and the
 4 proposed lease must be on file in the department of natural
 5 resources during the period of publication.

6 Sec. 7. If the cost of a contract for construction or for the
 7 purchase of equipment, materials, or supplies involves an
 8 expenditure of more than twenty thousand dollars (\$20,000), the
 9 authority shall make a written contract with the lowest and best
 10 bidder after advertisement for not less than two (2) consecutive
 11 weeks in a newspaper of general circulation in Marion County,
 12 Indiana, and in other publications if the authority determines. The
 13 notice must state the general character of the work and the general
 14 character of the materials to be furnished, the place where the
 15 plans and specifications may be examined, and the time and place
 16 for receiving bids. Each bid must contain the full name of every
 17 person or company interested in the bid and must be accompanied
 18 by a sufficient bond or certified check on a solvent bank so that if
 19 the bid is accepted a contract will be entered into and the
 20 performance of the bidder's proposal secured. The authority may
 21 reject any and all bids. A bond with good and sufficient surety
 22 approved by the authority is required of all contractors in an
 23 amount equal to at least fifty percent (50%) of the contract price
 24 conditioned upon the faithful performance of the contract.

25 Sec. 8. (a) The authority may acquire by:

- 26 (1) department of natural resources transfer;
- 27 (2) purchase; or
- 28 (3) lease;

29 for nominal or substantial consideration any interest in land,
 30 including existing facilities, adjuncts, and appurtenances, that the
 31 authority considers necessary or convenient for the acquisition,
 32 construction, improvement, or development of a park project.

33 (b) A park project undertaken by the authority must:

- 34 (1) comply with:
 - 35 (A) the master plan for that property; or
 - 36 (B) the Indiana outdoor recreation plan approved by the
 - 37 natural resources commission; or
- 38 (2) be specifically approved by the natural resources
- 39 commission.

40 Sec. 9. The authority may acquire by appropriation, under
 41 Indiana eminent domain law, any interest in land necessary or
 42 proper for the construction or the efficient operation of a park



1 project except land used for parks or park facilities owned by the
2 state or a political subdivision of the state. Title to the property
3 shall be taken in the name of the state for the use of the authority.

4 **Sec. 10. (a)** The authority and the department of natural
5 resources may enter into appropriate agreements setting forth the
6 terms and conditions of use of park improvements and the money
7 agreed to be paid at intervals for the use. The department of
8 natural resources is not obligated to continue the use and make
9 payments under the agreement but shall vacate the improvements
10 if it is shown that:

11 (1) the terms and conditions of the use and occupancy; and

12 (2) the amount to be paid;

13 are unjust and unreasonable considering the value of the
14 improvements.

15 (b) In determining just and reasonable amounts to be paid for
16 the use of improvements, the authority shall impose and collect
17 money that in the aggregate will be sufficient to pay the expenses
18 of operation, maintenance, and repair of the improvements to the
19 extent that the expenses are not otherwise provided and leave a
20 balance of net income of revenues from the improvements to pay
21 the interest on the bonds as the interest is due and accomplish
22 retirement of the bonds at or before maturity. If the department of
23 natural resources has made all payments provided in the
24 agreements, the use of improvements covered by the agreements
25 and the sites of the improvements revert to the department of
26 natural resources at the end of the terms of the agreement.

27 **Sec. 11.** All expenses of the authority incurred in carrying out
28 this chapter are payable solely from money provided under this
29 chapter.

30 **Sec. 12.** The proceeds of the bonds are appropriated for and
31 shall be used solely for the payment of the cost of the park project
32 for which the bonds have been issued. The proceeds shall be
33 disbursed in the manner and under the restrictions, if any, that the
34 authority provides in the resolution authorizing the issuance of the
35 bonds or in the trust agreement securing the bonds.

36 **Sec. 13. (a)** The natural resources commission may levy a
37 surcharge not exceeding ten percent (10%), as established by the
38 commission, on any of the following:

39 (1) Admission fees.

40 (2) Commission rentals.

41 (3) Boat registrations.

42 (4) Launching fees.



- 1 **(5) Mooring fees.**
2 **(b) The receipts from a surcharge shall be deposited in a special**
3 **fund to be used only to pay rent to the authority and for**
4 **maintenance of facilities covered by use agreements with the**
5 **authority as provided in a use agreement entered into between the**
6 **department of natural resources and the authority. The special**
7 **fund may be spent for that purpose without appropriation.**
8 **(c) During the life of a use agreement, a surcharge that has been**
9 **imposed may not be rescinded or reduced so that the amount in the**
10 **special fund and the receipts for one (1) year are less than one and**
11 **two-tenths (1.2) times the anticipated rental payment and**
12 **maintenance expense of facilities covered by a use agreement.**
13 **(d) The money in the special fund does not revert to the state**
14 **general fund.**
15 **Sec. 14. (a) A special revolving fund is created to be used only**
16 **for the planning of projects, including the hiring of architects,**
17 **engineers, consultants, and other experts and the doing of any**
18 **work preliminary to the actual construction of a project.**
19 **(b) The money in the special revolving fund does not revert to**
20 **the state general fund.**
21 **(c) The amount of money in the special revolving fund may not**
22 **exceed five hundred thousand dollars (\$500,000).**
23 **(d) The authority may do the following:**
24 **(1) Transfer to the special revolving fund other money in the**
25 **authority's possession not otherwise committed or needed.**
26 **(2) Place a gift or grant to the authority not limited in**
27 **character in the special revolving fund.**
28 **Sec. 15. (a) Property leased by the authority to another entity**
29 **other than the department of natural resources, at the termination**
30 **of the lease or a renewal of the lease, may be leased to the same or**
31 **other persons upon the terms the authority determines after**
32 **following the procedure in section 6 of this chapter. If the authority**
33 **does not lease the property, the property reverts to the control of**
34 **the department of natural resources for the department's use and**
35 **operation. The authority may not operate the property.**
36 **(b) If the authority is entitled to take over the operation of**
37 **property because of a default in an agreement, the authority may**
38 **operate the property through the authority's employees or contract**
39 **with others for the operation of the property. The contract for**
40 **operation may be with the department of natural resources if the**
41 **department is not a defaulting party.**
42 **Chapter 7. Health Facility Financing**



1 **Sec. 1. The general purpose of this chapter is to provide**
 2 **financing for health facilities and health facility property.**

3 **Sec. 2. This chapter applies only to health facilities and health**
 4 **facility property and not to any other facilities or projects financed**
 5 **by the authority.**

6 **Sec. 3. (a) For purposes of this chapter, county commissioner**
 7 **action or approval for the appropriation and expenditure of county**
 8 **tax money shall presuppose and include approval by the county**
 9 **council.**

10 **(b) A lease entered into by the board of county commissioners**
 11 **with the authority is valid or binding upon the county only if the**
 12 **lease is approved by a majority vote of the county council.**

13 **Sec. 4. Health facility property financed under this chapter is**
 14 **not subject to any statutory requirement of competitive bidding or**
 15 **other restriction imposed on the procedure for award of contracts**
 16 **or the lease, sale, or other disposition of health facility property**
 17 **with regard to any action taken under this chapter. However, if the**
 18 **prospective lessee or purchaser requests in writing, the authority**
 19 **shall call for the construction bids in a manner determined by the**
 20 **authority with the approval of the lessee or purchaser.**

21 **Sec. 5. (a) The authority has all the powers necessary to carry**
 22 **out and effectuate its public purposes under this chapter, including**
 23 **initiating a program of providing health facility property to be**
 24 **operated by participating providers in health facilities. In**
 25 **furtherance of this objective, the authority may also do one (1) or**
 26 **more of the following:**

27 **(1) Provide, or cause to be provided by a participating**
 28 **provider, by acquisition, lease, construction, fabrication,**
 29 **repair, restoration, reconditioning, refinancing, or**
 30 **installation, health facility property to be located within a**
 31 **health facility.**

32 **(2) Lease as lessor any item of health facility property for**
 33 **those rentals and upon the terms and conditions as the**
 34 **authority considers advisable and are not in conflict with this**
 35 **chapter.**

36 **(3) To charge to and apportion among participating providers**
 37 **its administrative costs and expenses incurred in the exercise**
 38 **of the powers and duties conferred by this chapter and**
 39 **IC 5-1.2-4.**

40 **(4) Assist, coordinate, and participate with other issuers of tax**
 41 **exempt bonds and public officials in other states in connection**
 42 **with financings or refinancings on behalf of multiple state**



1 health facilities. Assistance, coordination, and participation
 2 provided under this subdivision may include conducting any
 3 hearings required by state or federal law in order for bonds
 4 to be issued by public officials in other states if part of the
 5 proceeds of the bonds will be used by participating providers
 6 in Indiana. Neither the state of Indiana nor the authority, nor
 7 any officers, agents, or employees of the state or the authority,
 8 are subject to any liability resulting from assistance to or
 9 coordination or participation with other issuers of tax exempt
 10 bonds under this subsection. Any assistance, coordination, or
 11 participation provided under this subdivision is given with the
 12 understanding that the issuers of tax exempt bonds or
 13 borrowers will agree to indemnify and hold harmless the state
 14 of Indiana and the authority and their officers, agents, and
 15 employees from all claims and liability arising from any
 16 action against the state of Indiana or the authority relating to
 17 the bonds.

18 (5) Employ and enter into agreements with, and delegate to
 19 any person as the authority sees fit, the power to manage the
 20 routine affairs of the authority, including the originating and
 21 processing of any applications from participating providers
 22 for the lease or purchase from the authority, or financing,
 23 reimbursing, or refinancing by the authority, of health facility
 24 property and to service the leases, installment purchase
 25 contracts, and loan agreements between the authority and the
 26 participating providers.

27 (6) Establish eligibility standards for participating providers,
 28 without complying with IC 4-22-2. However, these standards
 29 have the force of law if the standards are adopted after a
 30 public hearing for which notice has been published in a
 31 newspaper published in the city of Indianapolis, at least ten
 32 (10) days in advance of the hearing.

33 (7) Contract with any entity securing the payment of bonds
 34 under IC 5-1.2-4-1(a)(10) and IC 5-1.2-4-1(a)(33), authorizing
 35 the entity to approve the participating providers that can
 36 finance or refinance health facility property with proceeds
 37 from the bond issue secured by that entity.

38 (8) Lease to a participating provider specific items of health
 39 facility property upon terms and conditions that the authority
 40 considers proper, to charge and collect rents for the health
 41 facility property, to terminate such a lease upon the failure of
 42 the lessee to comply with any of its obligations under the lease



1 or otherwise as the lease provides, to include in the lease
 2 provisions that the lessee has the option to renew the term of
 3 the lease for the periods and at the rents as may be
 4 determined by the authority or to purchase any or all of the
 5 health facility property to which the lease applies.

6 (9) Loan to a participating provider under an installment
 7 purchase contract or loan agreement money to finance,
 8 reimburse, or refinance the cost of specific items of health
 9 facility property and to take back a secured or unsecured
 10 promissory note evidencing such a loan and a security interest
 11 in the health facility property financed or refinanced with the
 12 loan, upon the terms and conditions as the authority considers
 13 proper.

14 (10) Sell or otherwise dispose of any unneeded or obsolete
 15 health facility property under terms and conditions as
 16 determined by the authority.

17 (11) Maintain, repair, replace, and otherwise improve or
 18 cause to be maintained, repaired, replaced, and otherwise
 19 improved any health facility property owned by the authority.

20 (12) Obtain or aid in obtaining property insurance on all
 21 health facility property owned or financed, or to accept
 22 payment if any health facility property is damaged or
 23 destroyed.

24 (13) Enter into any agreement, contract, or other instrument
 25 with respect to any insurance, guarantee, or letter of credit,
 26 accepting payment in the manner and form as provided in the
 27 insurance, guarantee, or letter of credit if a participating
 28 provider defaults, and to assign the insurance, guarantee, or
 29 letter of credit as security for bonds issued by the authority.

30 (b) No part of the revenues or assets of the authority may inure
 31 to the benefit of or be distributable to its members or officers or
 32 other private persons. Any net earnings of the authority beyond
 33 that necessary for retirement of authority indebtedness or to
 34 implement the public purposes of this chapter inure to the benefit
 35 of the state. Upon termination or dissolution of the authority, all
 36 rights and properties of the authority pass to and are vested in the
 37 state, subject to the rights of lienholders and other creditors.

38 **Sec. 6. Before exercising any of the powers conferred by section**
 39 **5 of this chapter, the authority may:**

40 (1) require that the lease, installment purchase contract, or
 41 loan agreement involved be insured by a loan insurer, be
 42 guaranteed by a loan guarantor, or be secured by a letter of



1 credit; and

2 (2) require any other type of security from the participating
3 providers that the authority considers reasonable and
4 necessary.

5 Sec. 7. (a) The authority may issue, sell, and deliver its bonds, in
6 accordance with IC 5-1.2-4 and this chapter, for the purpose of
7 paying for or making loans to participating providers for the
8 financing, reimbursing, or refinancing of all or any part of the cost
9 of health facility property, to finance the acquisition of health
10 facility property for lease or sale to participating providers, and
11 any other purposes authorized by this chapter.

12 (b) The authority may provide for the issuance of bonds of the
13 authority for the purpose of refunding any bonds of the authority
14 then outstanding, including the payment of any redemption
15 premium on these bonds and any interest accrued or to accrue to
16 the earliest or any subsequent date of redemption, purchase or
17 maturity of these bonds, and, if considered advisable by the
18 authority, for the additional purpose of paying all or any part of
19 the cost of health facility property.

20 (c) The proceeds of any bonds issued for the purpose of
21 refunding outstanding bonds may, in the discretion of the
22 authority, be applied to the purchase or retirement at maturity or
23 redemption of the outstanding bonds either on their earliest or any
24 subsequent redemption date or upon the purchase or at the
25 maturity of the bonds and may, pending such an application, be
26 placed in escrow to be applied to the purchase or retirement at
27 maturity or redemption on the date as may be determined by the
28 authority. Subject to the provisions of any trust indenture to the
29 contrary, any of the escrowed proceeds, pending such a use, may
30 be invested and reinvested in obligations as are determined by the
31 authority to assure the prompt payment of the principal and
32 interest and redemption premium, if any, on the outstanding bonds
33 to be so refunded. The interest, income, and profits, if any, earned
34 or realized on such an investment may also be applied to the
35 payment of the outstanding bonds to be so refunded. Only after the
36 terms of the escrow have been fully satisfied and carried out, any
37 balance of the proceeds and interest, income, and profits, if any,
38 earned or realized on the investments shall be returned to the
39 authority or the participating providers for use by them in any
40 lawful manner. All the bonds are subject to this chapter in the
41 same manner and to the same extent as other bonds issued under
42 this chapter.



1 (d) The proceeds of the bonds (other than refunding bonds) of
 2 each issue shall be used for the payment of all or part of the cost of,
 3 or for the making of a loan in the amount of all or part of the cost
 4 of, the health facility property for which the bonds have been
 5 authorized and, at the option of the authority, for the deposit to a
 6 reserve fund or reserve funds for the bonds. However, the
 7 authority may be paid, out of money from the proceeds of the sale
 8 and delivery of its bonds issued in accordance with this chapter, all
 9 of the authority's out-of-pocket expenses and costs in connection
 10 with the issuance, sale, and delivery of the bonds, and the costs of
 11 obtaining insurance, guarantees, and letters of credit securing
 12 payment of the bonds and the lease and the loan and installment
 13 purchase payments, plus an amount equal to the compensation
 14 paid to any employees of the authority for the time those employees
 15 have spent on activities relating to the issuance, sale, and delivery
 16 of the bonds. Bond proceeds shall be disbursed in the manner and
 17 under the restrictions determined by the authority.

18 **Sec. 8.** Any bond resolution or related trust indenture, indenture
 19 of mortgage, or deed of trust may contain provisions, which must
 20 be a part of the contract with the holders of the bonds to be
 21 authorized, as to pledging or assigning the revenues generated by
 22 the health facility property, pledging or assigning the notes and
 23 mortgage, lease, or other security given by the participating
 24 providers whose health facility property has been financed with the
 25 proceeds of the bonds or other specified revenues or property of
 26 the authority.

27 **Sec. 9.** Bonds of the authority issued to finance or refinance a
 28 health facility or health facility property may also be secured by
 29 and payable from:

30 (1) a pooling of leases whereby the authority may assign its
 31 rights, as lessor, and pledge rents under two (2) or more leases
 32 of health facility property with two (2) or more participating
 33 providers, as lessees; or

34 (2) a pooling of notes and mortgages or other security
 35 instruments whereby the authority may assign its rights as
 36 payee or secured party and pledge the revenues under two (2)
 37 or more notes and loan agreements from two (2) or more
 38 participating providers;

39 upon the terms as may be provided for in bond resolutions or other
 40 instruments under which the bonds are issued.

41 **Sec. 10.** All expenses incurred in carrying out this chapter shall
 42 be payable solely from funds provided under this chapter, and no



1 liability may be incurred by the authority or the state beyond the
2 extent to which money has been provided under this chapter.

3 **Sec. 11. All property acquired or held by the authority under**
4 **this chapter is declared to be public property used for public and**
5 **governmental purposes, and all property, income from the**
6 **property and bonds issued under this chapter, interest payable on**
7 **the bonds and income derived from the bonds, are exempt from all**
8 **taxes, direct or indirect, imposed by the state, any county, any city,**
9 **or any political subdivision of the state.**

10 **Sec. 12. Nothing in this chapter may be construed as a**
11 **restriction or limitation upon any powers which the authority**
12 **might otherwise have under any other law of this state, and this**
13 **chapter is cumulative to these powers. This chapter shall be**
14 **construed to provide a complete, additional, and alternative**
15 **method for the doing of the things authorized, and shall be**
16 **construed as supplemental to powers conferred by any other laws.**
17 **The adoption by the authority of bylaws and rules, and the**
18 **issuance of bonds by the authority under this chapter need not**
19 **comply with the requirements of any other state laws applicable to**
20 **the adoption of bylaws and rules and the issuance of bonds, notes,**
21 **and other obligations. No proceedings, notice, or approval is**
22 **required for the issuance of any bonds or any instrument or the**
23 **security for the bonds or instruments, or for the proper conduct of**
24 **the authority's business, affairs, or operations, except as provided**
25 **in this chapter.**

26 **Sec. 13. (a) A county may lease land and buildings, including the**
27 **necessary equipment and appurtenances, from the authority for**
28 **hospital purposes. No lease on a particular building shall be**
29 **entered into for a period of more than forty (40) years. However,**
30 **a lease is renewable for less than forty (40) years.**

31 **(b) A lease entered into by a county may require the funding of**
32 **a reserve fund for the benefit of the authority or the authority's**
33 **assigns. To assure the maintenance of the required reserve amount**
34 **in any reserve fund, the county council may appropriate for**
35 **deposit in the reserve fund the sum certified by the county fiscal**
36 **officer to the county council that is necessary to restore the reserve**
37 **fund to an amount equal to the required reserve amount. The**
38 **county fiscal officer shall annually before July 1 prepare and**
39 **deliver a certificate to the county council stating the sum required**
40 **to restore the reserve fund to the appropriate reserve amount.**
41 **Nothing in this subsection creates a debt or liability of the county**
42 **to make an appropriation.**



1 (c) All amounts received because of money appropriated by the
2 county to a reserve fund must be held by the authority under the
3 lease and applied in accordance with the lease.

4 Sec. 14. A county may, in anticipation of the construction,
5 erection, or renovation of a building (including the necessary
6 equipment and appurtenances), make and enter into a lease with
7 the authority before the actual acquisition of a site and the
8 construction, erection, or renovation of the building. The lease
9 shall not provide for the payment of any lease rental by the lessee
10 until the building is ready for occupancy. However, if a building is
11 to be acquired and renovated under this chapter, a county may, in
12 anticipation of the acquisition and renovation, make and enter into
13 a lease upon terms and conditions that are agreed upon by the
14 county and the authority, including:

15 (1) terms and conditions upon which the county may continue
16 to operate the building until completion of the renovation;
17 and

18 (2) the payment of a lease rental by the lessee during the
19 period of renovation.

20 Sec. 15. (a) Any lease executed under section 13 or 14 of this
21 chapter may provide for the payment of the lease rental in any one
22 (1) of the following ways as established in the lease:

23 (1) Entirely from the levy of taxes.

24 (2) Entirely from the net revenues of the hospital of which the
25 leased building is a part.

26 (3) In part from the levy of taxes and in part from the net
27 revenues described in subdivision (2).

28 (b) If any lease provides for the payment of lease rental in whole
29 or in part from net revenues of the hospital, the lease may also
30 provide that the county and the board of trustees or board of
31 managers of the hospital set aside and hold as a reserve for this
32 purpose excess net revenues over and above the amount required
33 to pay lease rental payable from net revenues. The reserve fund
34 may not exceed an amount equal to the amount of lease rental
35 payable from net revenues for two (2) years. The reserve fund shall
36 be held and used only for the purpose of paying lease rental
37 payable from net revenues, if the net revenues at any time are
38 insufficient to pay lease rentals. The amount in the reserve fund
39 may be invested in the manner and to the extent provided in the
40 lease. All interest or other income from the investment shall
41 become part of the reserve fund unless the reserve fund contains
42 the maximum amount required to be in the reserve fund. The



1 following apply if the reserve fund contains the maximum amount
2 required to be in the reserve fund:

3 (1) If any of the lease rental is payable from taxes, the interest
4 or other income shall be transferred to the fund to be used for
5 the payment of the lease rental provided to be paid from
6 taxes.

7 (2) If none of the lease rental is payable from taxes, the
8 interest or other income shall become a part of the reserve
9 fund.

10 Sec. 16. In addition to the ways specified in section 15 of this
11 chapter for the payment of lease rental, any lease executed under
12 this chapter may provide for the payment of lease rental from a
13 cumulative building fund established by the lessee under
14 IC 16-22-5-3 (or IC 16-12.1-4-4 before its repeal). Part or all of a
15 cumulative building fund and the tax levied for that cumulative
16 building fund may be committed and pledged to the payment of the
17 lease rental. To the extent that the amount committed and pledged
18 is insufficient to pay the lease rental, the lease shall provide that
19 any remaining lease rental shall be paid entirely from the net
20 revenues of the hospital of which the leased building is a part. So
21 long as the lease remains in effect:

22 (1) any amount of cumulative building fund so committed and
23 pledged may not be expended by the lessee for any other
24 purpose; and

25 (2) the tax levy committed and pledged for the cumulative
26 building fund may not be reduced or rescinded by the county
27 council.

28 Notwithstanding any other provision of this chapter, if a lease
29 provides for payment of lease rental under this section, no
30 approval of the county council is required for the lease, the terms
31 and conditions of the lease, or the sale of the land by the county to
32 the authority under this chapter.

33 Sec. 17. (a) When the authority, the board of trustees or board
34 of managers of the hospital, the board of commissioners of the
35 county, and a majority of the county council have agreed upon the
36 terms and conditions of any lease proposed to be entered into
37 under section 13 or 14 of this chapter, and before the final
38 execution of the lease, the county auditor shall give notice by
39 publication of a public hearing to be held in the county by the
40 board of commissioners. The hearing shall take place on a day not
41 earlier than ten (10) days after the publication of the notice. The
42 notice of the hearing shall be published one (1) time in a newspaper



1 of general circulation printed in the English language and
2 published in the county. The notice shall do the following:

3 (1) Name the day, place, and hour of the hearing.

4 (2) Set forth a brief summary of the principal terms of the
5 lease agreed upon, including the character and location of the
6 property to be leased, the lease rental to be paid, and the
7 number of years the contract is to be in effect.

8 (3) State a location where the proposed lease, drawings, plans,
9 specifications, and estimates may be examined.

10 The proposed lease and the drawings, plans, specifications, and
11 estimates of construction cost for the building shall be open to
12 inspection by the public during the ten (10) day period and at the
13 hearing. All interested persons shall have a right to be heard at the
14 hearing on the necessity for the execution of the lease and whether
15 the lease rental under the lease is fair and reasonable. The hearing
16 may be adjourned to a later date with the place of the hearing fixed
17 before adjournment. Following the hearing, the board of
18 commissioners may either authorize the execution of the lease as
19 originally agreed upon or may make modifications that are agreed
20 upon by the authority, the board of trustees or board of managers
21 of the hospital, and the county council. The authorization shall be
22 by an order that is entered in the official records of the board of
23 commissioners. The lease contract shall be executed on behalf of
24 the county by the board of commissioners.

25 (b) If the execution of the lease as originally agreed upon or as
26 modified by agreement is authorized, notice of the signing of the
27 lease shall be given on behalf of the county by publication one (1)
28 time in a newspaper of general circulation printed in the English
29 language and published in the county. Except as provided in
30 subsection (d), ten (10) or more taxpayers in the county whose tax
31 rate will be affected by the proposed lease and who may be of the
32 opinion that no necessity exists for the execution of the lease or that
33 the lease rental under the lease is not fair and reasonable may file
34 a petition in the office of the county auditor, within thirty (30) days
35 after publication of notice of the execution of the lease, that sets
36 forth the taxpayers' objections and facts supporting those
37 objections. Upon the filing of a petition, the county auditor shall
38 immediately certify a copy of the petition together with any other
39 data as may be necessary in order to present the questions involved
40 to the department of local government finance. Upon receipt of the
41 certified petition and information, the department of local
42 government finance shall fix a time and place in the affected county



1 for the hearing of the matter that is not less than five (5) or more
 2 than fifteen (15) days after receipt. Notice of the hearing shall be
 3 given by the department of local government finance to the board
 4 of county commissioners and to the first ten (10) taxpayer
 5 petitioners upon the petition by certified mail sent to the addresses
 6 listed on the petition at least five (5) days before the date of the
 7 hearing.

8 (c) No action to contest the validity of the lease or to enjoin the
 9 performance of any of the terms and conditions of the lease shall
 10 be instituted at any time later than thirty (30) days after
 11 publication of notice of the execution of the lease, or, if an appeal
 12 has been taken to the department of local government finance,
 13 within thirty (30) days after the decision of the department.

14 (d) The authority for taxpayers to object to a proposed lease
 15 under subsection (b) does not apply if the authority complies with
 16 the procedures for the issuance of bonds and other evidence of
 17 indebtedness described in IC 6-1.1-20.

18 Sec. 18. (a) A lease under this chapter may provide that the
 19 lessee has an option to renew the lease for a like or lesser term, on
 20 the conditions that are provided in the lease. A lease shall contain
 21 an option to purchase:

22 (1) at any time after ten (10) years from the execution of the
 23 lease and before the expiration of the term of lease on the date
 24 fixed in the lease; and

25 (2) at a price equal to:

26 (A) the amount required to enable the authority to redeem
 27 all outstanding securities payable out of the rentals
 28 provided for in the lease, all premiums payable on the
 29 redemption, and accrued and unpaid interest; and

30 (B) all other expenses, indebtedness, and obligations of the
 31 authority attributable to the acquisition, construction,
 32 renovation, and leasing of the building.

33 (b) A lease may not provide or be construed to provide that the
 34 county is under any obligation to purchase the leased building or
 35 under any obligation with respect to any creditor or bondholder of
 36 the authority.

37 (c) A county exercising an option to purchase may issue general
 38 obligation bonds for the purpose of procuring funds with which to
 39 pay the purchase price of the building. The general obligation
 40 bonds shall be authorized, issued, and sold in the manner provided
 41 by law for the authorization, issuance, and sale of general
 42 obligation bonds of the county for other purposes.



1 **Sec. 19. On behalf of the authority, the board of directors or**
2 **board of managers of the hospital shall, before the execution of a**
3 **lease, submit to and receive the approval of the board of**
4 **commissioners of the county of the plans, specifications, and**
5 **estimates of cost for the building or renovation. The plans and**
6 **specifications shall be submitted to and approved by the state**
7 **board of health, the division of fire and building safety, and other**
8 **state agencies that are required by law to pass on plans and**
9 **specifications for public buildings.**

10 **Sec. 20. A county desiring to have a building erected or**
11 **renovated on land owned or to be acquired by the county may sell**
12 **that land or building to the authority. Before the sale may take**
13 **place, the county commissioners shall file a petition with the circuit**
14 **court, superior court, or probate court of the county requesting the**
15 **appointment of:**

16 **(1) one (1) disinterested freeholder of the county as an**
17 **appraiser; and**

18 **(2) two (2) disinterested appraisers licensed under IC 25-34.1;**
19 **who are residents of Indiana to determine the fair market value of**
20 **the land or building. One (1) of the appraisers described under**
21 **subdivision (2) must reside not more than fifty (50) miles from the**
22 **land or building. Upon appointment, the appraisers shall fix the**
23 **fair market value of the land or building and shall report that**
24 **value within two (2) weeks after the date of their appointment. The**
25 **county may then sell the land or building to the authority for an**
26 **amount not less than the amount fixed by the appraisers as the fair**
27 **market value. The amount shall be paid in cash upon delivery of**
28 **the deed by the county to the authority. If a cumulative building**
29 **fund exists at the time of the sale, the proceeds from the sale shall**
30 **be placed in that fund. If a cumulative building fund does not exist**
31 **at the time of the sale, the proceeds from the sale shall be paid into**
32 **the county hospital fund with the principal of and interest on the**
33 **fund to be used solely by the county hospital for the purposes set**
34 **forth in IC 16-22-5-3 (or IC 16-12.1-4-4 before its repeal on July 1,**
35 **1993). A sale of land or a building by a county to the authority shall**
36 **be authorized by the board of commissioners by an order that shall**
37 **be entered in the official records of the board. The deed shall be**
38 **executed on behalf of the county by the board of county**
39 **commissioners.**

40 **Sec. 21. A county and an authority that have entered into, or**
41 **propose to enter into, a lease under this chapter may enter into**
42 **party wall agreements or other agreements concerning the**



1 attaching of an addition to a hospital building, if the agreement is:

2 (1) approved by the board of trustees or board of managers of
3 the hospital; and

4 (2) recorded in the office of the recorder of the county in
5 which the hospital is located.

6 An agreement may provide for an easement or license to construct
7 a part of an addition over or above the existing hospital building.

8 **Chapter 8. Educational Facility Financing**

9 **Sec. 1. The general purposes of this chapter are the following:**

10 (1) To provide financing for educational facility projects.

11 (2) To provide a measure of assistance and an alternative
12 method to enable nonprofit colleges or universities in Indiana
13 to refund or refinance outstanding indebtedness incurred by
14 nonprofit colleges or universities in Indiana for the
15 renovation, construction, acquisition, or equipping of
16 educational facilities.

17 (3) To establish liability or other loss insurance reserves or to
18 contribute those insurance reserves or other capital to a risk
19 retention group to provide insurance coverage against
20 liability claims or other losses.

21 (4) To provide the needed additional educational facilities for
22 the public benefit and good.

23 **Sec. 2. This chapter applies only to educational facilities and not
24 to any other facilities financed by the authority.**

25 **Sec. 3. Except as otherwise expressly provided in this chapter,
26 none of the powers granted to the authority under this chapter are
27 subject to the supervision or regulation or require the approval or
28 consent of:**

29 (1) any municipality or political subdivision;

30 (2) any department, division, commission, board, body,
31 bureau, official, or agency of any municipality or political
32 subdivision; or

33 (3) the state.

34 **Sec. 4. (a) The authority may determine the location and
35 character of any educational facility project to be financed under
36 this chapter.**

37 (b) The authority may construct, reconstruct, remodel,
38 maintain, manage, enlarge, alter, add to, repair, operate, lease as
39 lessee or lessor, regulate any educational facility project, or enter
40 into contracts for any purpose stated in this section.

41 (c) The authority may designate a nonprofit college or
42 university as the authority's agent for purposes of this section.



1 **Sec. 5. The authority:**

- 2 (1) may require that the rates, rents, fees, or charges
3 established by a nonprofit college or university are sufficient
4 to discharge the institution's obligations to the authority; but
5 (2) has no other jurisdiction over the rates, rents, fees, or
6 charges.

7 **Sec. 6. The authority may:**

- 8 (1) establish rules for the use of an educational facility project
9 or any part of an educational facility project; and
10 (2) designate a nonprofit college or university as the
11 authority's agent to establish rules for the use of an
12 educational facility project undertaken for that nonprofit
13 college or university.

14 **Sec. 7. (a) The authority may make loans to any nonprofit**
15 **college or university for the cost of an educational facility project,**
16 **including the establishment of liability or other loss insurance**
17 **reserves or the contribution of those reserves to a risk retention**
18 **group for the purpose of providing insurance coverage against**
19 **liability claims or other losses in accordance with an agreement**
20 **between the authority and the nonprofit college or university.**

21 (b) A loan authorized under this section may not exceed the total
22 cost of the educational facility project as determined by the
23 nonprofit college or university and approved by the authority.

24 **Sec. 8. (a) The authority may make loans to a nonprofit college**
25 **or university to refund outstanding obligations or advances issued,**
26 **made, or given by the nonprofit college or university for the cost of**
27 **an educational facility project, including the establishment of**
28 **liability or other loss insurance reserves or the contribution of**
29 **those reserves to a risk retention group to provide insurance**
30 **coverage against liability claims or other losses.**

31 (b) The authority may issue bonds and make loans to a
32 nonprofit college or university to refinance indebtedness incurred
33 or to reimburse advances made for educational facility projects
34 undertaken before the date of the bond issue whenever the
35 authority finds that the financing is in the public interest and:

- 36 (1) alleviates a financial hardship upon the nonprofit college
37 or university;
38 (2) results in a lesser cost of education; or
39 (3) enables the nonprofit college or university to offer greater
40 security for a loan or loans to finance a new educational
41 facility project or educational facility projects or to effect
42 savings in interest costs or more favorable amortization



1 terms.

2 **Sec. 9. The authority may charge to and apportion among**
 3 **nonprofit colleges or universities the authority's administrative**
 4 **costs and expenses incurred in the exercise of the powers and**
 5 **duties conferred by this chapter.**

6 **Sec. 10. (a) The authority may, for financing purposes, combine**
 7 **an educational facility project or educational facility projects and**
 8 **some or all future educational facility projects of any nonprofit**
 9 **college or university or nonprofit colleges or universities if:**

10 (1) the authority obtains the consent of all of the nonprofit
 11 colleges or universities that are involved, or, when financing
 12 loans for the funding of liability or other loss insurance
 13 reserves or for the providing of those reserves or other capital
 14 to be contributed to a risk retention group, the authority
 15 obtains the consent of all of the eligible members that are
 16 involved; and

17 (2) the money set aside in any fund or funds pledged for any
 18 series of bonds or issue of bonds is held for the sole benefit of
 19 a series or issue separate and apart from the money pledged
 20 for any other series or issue of bonds of the authority.

21 (b) To facilitate the combining of educational facility projects,
 22 bonds may be issued in one (1) or more series under one (1) or
 23 more resolutions or trust agreements and be:

24 (1) fully open ended, thus providing for unlimited issuance of
 25 additional series; or

26 (2) partially open ended, limited as to additional series;
 27 all in the discretion of the authority.

28 (c) Notwithstanding any provision of this chapter, the authority
 29 may permit a nonprofit college or university to substitute one (1)
 30 or more educational facilities of similar value (as determined by an
 31 independent appraiser satisfactory to the authority) as security for
 32 any educational facility financed under this chapter on the terms
 33 and conditions that the authority may prescribe.

34 **Sec. 11. The authority may mortgage all or any part of:**

35 (1) any educational facility project and any other educational
 36 facilities conveyed to the authority for an educational
 37 purpose; and

38 (2) the site or sites of the facilities, whether presently owned
 39 or subsequently acquired;

40 for the benefit of the holders of the bonds of the authority issued to
 41 finance an educational facility project or any portion of an
 42 educational facility project or issued to refund or refinance



1 outstanding indebtedness of a nonprofit college or university as
2 permitted by this chapter.

3 **Sec. 12. The authority may join in a risk retention group with**
4 **state educational institutions or any nonprofit college or university.**

5 **Sec. 13. All expenses incurred in carrying out this chapter are**
6 **payable solely from funds provided under the authority of this**
7 **chapter.**

8 **Sec. 14. The authority shall promptly take any action and**
9 **execute any deeds and conveyances necessary and required to**
10 **convey the title to an educational facility project or educational**
11 **facility projects to the appropriate nonprofit college or university**
12 **whenever:**

- 13 (1) the principal of and interest on bonds of the authority
14 issued to finance the cost of an educational facility project or
15 educational facility projects for a nonprofit college or
16 university, including any refunding bonds issued to refund
17 and refinance the bonds, have been fully paid and retired; or
18 (2) adequate provision has been made to fully pay and retire
19 bonds of the authority issued to finance the cost of an
20 educational facility project or educational facility projects for
21 a nonprofit college or university, all other conditions of the
22 bond resolution have been satisfied, and the lien created by
23 the bond resolution has been released in accordance with the
24 provisions of the bond resolution.

25 **Sec. 15. Any income received from the investment of reserves or**
26 **sinking funds must be applied in reduction of the rentals or other**
27 **amounts paid by the nonprofit college or university or nonprofit**
28 **colleges or universities for whose educational facility project or**
29 **educational facility projects the reserves or sinking funds were**
30 **created. Funds held as reserves or sinking funds when invested**
31 **must be allocated to a specific educational facility project or**
32 **educational facility projects of the institution for which the fund**
33 **was created, and the income from the investment must be used to**
34 **reduce the bonded indebtedness attributable to the educational**
35 **facility project or educational facility projects.**

36 **Sec. 16. (a) In connection with any lease entered into between**
37 **the authority and any nonprofit college or university, the authority**
38 **shall fix, revise, charge, and collect rents for the use of each**
39 **educational facility project and contract with any person,**
40 **partnership, association, limited liability company, or corporation,**
41 **or other body, public or private, with respect to the educational**
42 **facility project.**



1 (b) Each lease entered into by the authority with a nonprofit
2 college or university must provide that the rents or other money
3 payable by the nonprofit college or university is sufficient at all
4 times:

5 (1) to pay the private institution's share of the administrative
6 costs and expenses of the authority;

7 (2) to pay the principal of, the premium (if any), and the
8 interest on outstanding bonds of the authority issued in
9 respect of the educational facility project as the bonds become
10 due and payable; and

11 (3) to create and maintain reserves that may be required or
12 provided for in the bond resolution relating to the bonds of
13 the authority.

14 (c) The authority shall pledge the revenues derived and to be
15 derived from an educational facility project for the purposes
16 specified in subsection (b).

17 Sec. 17. The authority may provide for the issuance of bonds of
18 the authority:

19 (1) to refund any bonds of the authority then outstanding,
20 including the payment of any redemption premium on the
21 bonds and any interest accrued or to accrue to the earlier or
22 any subsequent date of redemption, purchase, or maturity of
23 the bonds; and

24 (2) if determined advisable by the authority, for the additional
25 purpose of paying all or any part of the cost of constructing
26 and acquiring additions, improvements, extensions, or
27 enlargements of a project or any part of an addition,
28 improvement, extension, or enlargement of an educational
29 facility project. However, no refunding bonds may be issued
30 unless the authority provides for the payment of rentals
31 adequate to satisfy the requirements of section 13 of this
32 chapter.

33 Sec. 18. The proceeds of any bonds issued for the purpose of
34 refunding outstanding bonds may, in the discretion of the
35 authority:

36 (1) be applied to the purchase or retirement at maturity or
37 redemption of the outstanding bonds either on their earliest
38 or any subsequent redemption date or upon the purchase or
39 at the maturity of the outstanding bonds; and

40 (2) pending the application of the proceeds, be placed in
41 escrow to be applied to the purchase or retirement at
42 maturity or redemption of the outstanding bonds on a date



1 determined by the authority.

2 **Sec. 19. Any escrowed proceeds, pending use for the refunding**
 3 **of outstanding bonds, may be invested and reinvested in:**

4 **(1) direct obligations of the United States of America; or**

5 **(2) obligations having the timely payment of principal and**
 6 **interest unconditionally guaranteed by the United States of**
 7 **America;**

8 **maturing at a time or times that are appropriate to assure the**
 9 **prompt payment of the principal and interest and redemption**
 10 **premium, if any, on the outstanding bonds to be refunded. Any**
 11 **interest, income, and profits earned or realized on any investment**
 12 **may also be applied to the payment of the outstanding bonds to be**
 13 **refunded. Only after the terms of the escrow have been fully**
 14 **satisfied and carried out, any balance of the proceeds and any**
 15 **interest, income, and profits earned or realized on the investments**
 16 **described in this section must be returned to the nonprofit college**
 17 **or university for use by the nonprofit college or university in any**
 18 **lawful manner.**

19 **Sec. 20. All bonds issued to refund outstanding bonds of the**
 20 **authority are subject to this chapter in the same manner and to the**
 21 **same extent as other bonds issued under this chapter.**

22 **Sec. 21. Except as provided in IC 21-36-2, an educational facility**
 23 **project is not subject to any statutory requirement of competitive**
 24 **bidding or other restriction imposed on the procedure for award**
 25 **of contracts or the lease, sale, or other disposition of property with**
 26 **regard to any action taken under authority of this chapter. If,**
 27 **however, the prospective lessee makes a request in writing, the**
 28 **authority shall call for the construction bids in the manner**
 29 **determined by the authority with the approval of the lessee.**

30 **Sec. 22. Notwithstanding any other provision of this chapter, the**
 31 **authority may:**

32 **(1) finance the cost of an educational facility or refund**
 33 **outstanding indebtedness of a nonprofit college or university,**
 34 **as authorized under section 8 of this chapter; or**

35 **(2) finance the establishment of liability or other loss**
 36 **insurance reserves or the contribution of reserves or other**
 37 **capital to a risk retention group to provide insurance**
 38 **coverage against liability claims or other losses;**

39 **by issuing the authority's bonds for the purpose of loaning the**
 40 **proceeds to a nonprofit college or university for the cost of a**
 41 **project or to refund or refinance outstanding indebtedness or**
 42 **reimburse advances made in connection with a project in**



1 accordance with an agreement between the authority and the
 2 institution and in exchange for the institution's promissory note or
 3 notes.

4 **Sec. 23. (a) Any promissory notes received under section 22 of
 5 this chapter:**

6 (1) must have the same principal amounts, maturities, and
 7 interest rates as the bonds being issued;

8 (2) may be secured by a first mortgage lien on the educational
 9 facility being financed or by a first mortgage lien on or
 10 security interest in other real or personal property or funds
 11 acceptable to the authority subject to any exceptions that the
 12 authority may approve and created by a mortgage instrument
 13 or security agreement satisfactory to the authority; and

14 (3) may be insured or guaranteed by others.

15 **(b) Any bonds described in section 22 of this chapter must be
 16 payable solely out of the payments to be made on the promissory
 17 notes and under the corresponding agreement. Any bonds
 18 described in section 22 of this chapter may not exceed in principal
 19 amount the cost of the educational facility, as determined by the
 20 nonprofit college or university, or the necessary amount of these
 21 liability or other loss insurance reserves, and approved by the
 22 authority.**

23 **Sec. 24. If an educational facility is financed and mortgaged
 24 under sections 22 and 23 of this chapter:**

25 (1) the title to the facility must remain in the nonprofit college
 26 or university owning the facility, subject to the lien of the
 27 mortgage securing the promissory notes then being
 28 purchased; and

29 (2) there may not be a lease of the facility between the
 30 authority and the institution.

31 **Sec. 25. Section 15 of this chapter does not apply to any
 32 educational facility or any liability or loss insurance reserves
 33 financed under this section and sections 22 through 24 of this
 34 chapter. However, the authority shall return the promissory notes
 35 purchased through the issuance of bonds to the nonprofit college
 36 or university issuing the promissory notes when:**

37 (1) the bonds have been fully paid and retired or adequate
 38 provision has been made to pay and retire the bonds fully;

39 (2) all other conditions of the trust agreement or indenture
 40 creating the bonds have been satisfied; and

41 (3) the lien has been released in accordance with the
 42 provisions of the instrument creating the lien.



1 **Chapter 9. Economic Development Projects**

2 **Sec. 1. The general purpose of this chapter is to provide**
3 **financing for economic development projects.**

4 **Sec. 2. This chapter applies only to economic development**
5 **projects and not to any other facilities or projects financed by the**
6 **authority.**

7 **Sec. 3. The authority may, instead of a private sale or leasing as**
8 **authorized by IC 5-1.2-4-1(a) or a financing of an economic**
9 **development project under section 12 of this chapter, decide to**
10 **hold a public offering under this chapter for the sale or leasing of**
11 **any land or interests in land, building improvements, structures,**
12 **personal property, and franchises and patents acquired by the**
13 **authority under this article for an economic development project.**
14 **If the authority decides to hold a public offering for the sale or**
15 **leasing of any property or interests acquired for an economic**
16 **development project, the offering shall be made in accordance with**
17 **this chapter.**

18 **Sec. 4. Before offering for sale or lease to the public any**
19 **property or interests acquired for an economic development**
20 **project, the authority shall prepare an offering sheet showing the**
21 **property or interests to be offered and copies of the offering sheets**
22 **shall be furnished to prospective buyers or lessees. Maps and plats**
23 **of the property and any additional information considered**
24 **appropriate by the authority shall also be kept available for**
25 **inspection at the office of the authority.**

26 **Sec. 5. The authority shall publish a notice of the offering in**
27 **accordance with IC 5-3-1. The notice must state that at a**
28 **designated time the authority will open and consider written offers**
29 **for the purchase or lease of the property or interests being offered.**
30 **In giving the notice, it is not necessary to describe specifically the**
31 **property or interests or to specify the exact terms of the**
32 **disposition, but the notice must state the general location of the**
33 **property or interests and call attention generally to any**
34 **requirements or limitations that the authority may establish in**
35 **respect to the economic development project.**

36 **Sec. 6. At the time fixed in the notice, the authority shall open**
37 **and consider any offers received. All offers received shall be**
38 **opened at public meetings of the authority and shall be kept open**
39 **for public inspection.**

40 **Sec. 7. The authority may reject any or all bids or may make**
41 **awards to the highest and best bidder or bidders. In determining**
42 **the highest and best bids, the authority may take into consideration**



- 1 **the following:**
- 2 **(1) The size and character of the improvements for the**
- 3 **economic development project as proposed by the bidder to**
- 4 **be made on the property and the terms and conditions of the**
- 5 **consideration offered by the bidder.**
- 6 **(2) The bidder's plans and ability to carry out the economic**
- 7 **development project with reasonable promptness.**
- 8 **(3) Whether the property and interests to be acquired by the**
- 9 **bidder will be leased or released for the economic**
- 10 **development project.**
- 11 **(4) The nature and extent of any obligations to be undertaken**
- 12 **by the authority in conjunction with the improvement of the**
- 13 **property or interests to be acquired for the economic**
- 14 **development project as proposed by the bidder.**
- 15 **(5) The potential impact of the bidder's proposal on the**
- 16 **creation of new employment or the retention of existing**
- 17 **employment resulting from the economic development**
- 18 **project.**
- 19 **(6) The potential impact of the bidder's proposal to attract or**
- 20 **establish a major new business enterprise or to retain or**
- 21 **expand a significant existing business enterprise that will**
- 22 **provide or preserve gainful employment for the citizens of the**
- 23 **state.**
- 24 **(7) The economic benefits to the state and its citizens that will**
- 25 **result from the economic development project, as proposed by**
- 26 **the bidder, including the dollar volume of new or preserved**
- 27 **wages and salaries, increases in or preservation of state and**
- 28 **local government tax revenues, the incremental economic**
- 29 **benefits to the citizens of the state, the state, and local**
- 30 **governmental units potentially resulting from the economic**
- 31 **development project as proposed by the bidder, and any other**
- 32 **direct or indirect economic benefit to the state and its citizens**
- 33 **resulting from the economic development project as proposed**
- 34 **by the bidder.**
- 35 **(8) The potential impact and benefit to the state and its**
- 36 **citizens of the economic development project as proposed by**
- 37 **the bidder from the standpoint of both human and economic**
- 38 **welfare.**
- 39 **Sec. 8. In making an award to the highest and best bidder as**
- 40 **provided in section 7 of this chapter, the authority shall determine**
- 41 **whether in its judgment the potential benefits to the state and its**
- 42 **citizens of the economic development project as proposed by the**



1 bidder exceed the direct costs to the authority of acquiring the
2 property and interests being offered for sale or lease for the
3 economic development project less any sums to be paid by the
4 successful bidder pursuant to its bid. The authority's judgment
5 concerning this determination shall be based on the economic
6 studies, analyses, and projections that the authority determines are
7 reasonably necessary. The authority's determination is final and
8 conclusive.

9 Sec. 9. The authority may contract with a bidder concerning any
10 of the factors listed in section 7 of this chapter, and the contract
11 may provide for the deposit of surety bonds, the making of good
12 faith deposits, liquidated damages, the right of reversion or
13 repurchase, or other rights and remedies if the bidder fails to
14 comply with the contract.

15 Sec. 10. After the opening, consideration, and determination of
16 the written offers filed in response to the notice, the authority may
17 dispose of all or part of the remaining available property or
18 interests for any approved use, either at public sale or by private
19 negotiation carried on by the authority, its regular employees, or
20 real estate experts employed for that purpose. For a period of
21 thirty (30) days after the opening of the written offers and
22 determination on them, no sale, exchange, or lease may be made on
23 terms less than that shown on the offering sheet, but after that
24 period the authority may adjust the offering terms the authority
25 considers necessary to further the economic development project.

26 Sec. 11. An action to contest the validity of any sale or lease
27 awarded and approved by the authority under this section may not
28 be commenced more than thirty (30) days following the authority's
29 adoption of a resolution designating the successful bidder or
30 bidders and stating and approving the basic terms and conditions
31 of the sale or lease.

32 Sec. 12. The authority may enter into negotiations with one (1)
33 or more persons concerning the terms and conditions of financing
34 agreements for economic development projects. The authority shall
35 consider whether a proposed economic development project may
36 have an adverse competitive effect on similar economic
37 development projects already constructed or operating in the local
38 governmental unit where the economic development project will be
39 located. Preliminary expenses in connection with negotiations
40 under this section may be paid from:

- 41 (1) money furnished by the proposed user or developer;
42 (2) money made available by the state or federal government,



1 or by any of their departments or agencies; or

2 (3) money of the authority.

3 **Sec. 13. The authority shall prepare a report that:**

4 (1) briefly describes the proposed economic development
5 project;

6 (2) estimates the number and expense of public works or
7 services that would be made necessary or desirable by the
8 proposed economic development project, including public
9 ways, schools, water, sewers, street lights, and fire protection;

10 (3) estimates the total costs of the proposed economic
11 development project;

12 (4) for an economic development project that is not
13 exclusively either a pollution control facility or an educational
14 facility project, estimates the number of jobs and the payroll
15 to be created or saved by the project;

16 (5) for educational facility projects, describes how the project
17 promotes the educational enrichment (including cultural,
18 intellectual, scientific, or artistic opportunities) of the people
19 of the state; and

20 (6) for pollution control facilities, describes the facilities and
21 how they will abate, reduce, or prevent pollution.

22 The report shall be submitted to the executive director or chair of
23 the plan commission, if any, having jurisdiction over the economic
24 development project and, if the number of new jobs estimated
25 exceeds one hundred (100), to the superintendent of the school
26 corporation where the economic development project will be
27 located. The executive director or chair of the plan commission and
28 the school superintendent may formulate their written comments
29 concerning the report and transmit their comments, if any, to the
30 authority within five (5) days after the receipt of the report.

31 **Sec. 14. The authority shall hold a public hearing, which may be**
32 **conducted by the authority, or any officer, member, or agent**
33 **designated by the authority, on the proposed financing agreement**
34 **for the economic development project, after giving notice by**
35 **publication in one (1) newspaper of general circulation in the city,**
36 **town, or county where the economic development project is to be**
37 **located at least ten (10) days in advance of this public hearing.**

38 **Sec. 15. If the authority finds that the economic development**
39 **project will be of benefit to the health, safety, morals, and general**
40 **welfare of the area where the economic development project is to**
41 **be located, and complies with the purposes and provisions of this**
42 **chapter, the authority may by resolution approve the proposed**



1 financing agreement.

2 **Sec. 16.** A financing agreement approved under this chapter
3 must provide for payments in an amount sufficient to pay the
4 principal of, premium for (if any), and interest on the bonds
5 authorized for the financing of the economic development project.
6 However, interest payments for the anticipated construction
7 period, plus a period of not more than one (1) year, may be funded
8 in the bond issue.

9 **Sec. 17.** The term of a financing agreement may not exceed fifty
10 (50) years from the date of any bonds issued under the financing
11 agreement. However, a financing agreement does not terminate
12 after fifty (50) years if a default under that financing agreement
13 remains uncured, unless the termination is authorized by the terms
14 of the financing agreement.

15 **Sec. 18.** If the authority retains an interest in the economic
16 development project, the financing agreement must require the
17 user or the developer to pay all costs of maintenance, repair, taxes,
18 assessments, insurance premiums, trustee's fees, and any other
19 expenses relating to the economic development projects, so that the
20 authority will not incur any expenses on account of the economic
21 development projects other than those that are covered by the
22 payments provided for in the financing agreement.

23 **Sec. 19.** The authority may initiate programs for financing
24 economic development projects for developers and users in Indiana
25 through the issuance of bonds under this article. In furtherance of
26 this objective, the authority may do any of the following:

27 (1) Establish eligibility standards for developers and users,
28 without complying with IC 4-22-2. However, these standards
29 have the force of law if the standards are adopted after a
30 public hearing for which notice has been given by publication
31 under IC 5-3-1.

32 (2) Contract with any entity securing the payment of bonds
33 issued under this chapter and authorizing the entity to
34 approve the developers and users that can finance or
35 refinance economic development projects with proceeds from
36 the bond issue secured by that entity.

37 (3) Lease to a developer or user economic development
38 projects upon terms and conditions that the authority
39 considers proper and, with respect to the lease:

40 (A) charge and collect rents;

41 (B) terminate the lease upon the failure of the lessee to
42 comply with any of its obligations under the lease or



- 1 otherwise as the lease provides; and
2 (C) include in the lease provisions that the lessee has the
3 option to renew the term of the lease for those periods and
4 at those rents as may be determined by the authority or to
5 purchase any or all of the economic development projects
6 to which the lease applies.
- 7 (4) Lend money, upon terms and conditions as the authority
8 considers proper, to a developer or user under an installment
9 purchase contract or loan agreement to:
- 10 (A) finance, reimburse, or refinance the cost of an
11 economic development project; and
12 (B) take back a secured or unsecured promissory note
13 evidencing such a loan or a security interest in the
14 economic development project financed or refinanced with
15 the loan.
- 16 (5) Sell or otherwise dispose of any unneeded or obsolete
17 economic development project under terms and conditions
18 determined by the authority.
- 19 (6) Maintain, repair, replace, and otherwise improve or cause
20 to be maintained, repaired, replaced, and otherwise improved
21 any economic development project owned by the authority.
- 22 (7) Require any type of security that the authority considers
23 reasonable and necessary.
- 24 (8) Obtain or aid in obtaining property insurance on all
25 economic development projects owned or financed, or accept
26 payment if any economic development project property is
27 damaged or destroyed.
- 28 (9) Enter into any agreement, contract, or other instrument
29 with respect to any insurance, guarantee, letter of credit, or
30 other form of credit enhancement, accepting payment in the
31 manner and form as provided in the instrument if a developer
32 or user defaults, and assign the insurance, guarantee, letter of
33 credit, or other form of credit enhancement as security for
34 bonds issued by the authority.
- 35 (10) Finance for eligible developers and users in connection
36 with an economic development project:
- 37 (A) the cost of their economic development projects; and
38 (B) in the case of a program funded from the proceeds of
39 taxable bonds, working capital associated with the
40 operation of the economic development project;
41 in amounts determined to be appropriate by the authority.
- 42 (11) Issue bonds to fund a program for financing multiple,



1 identified or unidentified economic development projects if
 2 the authority finds that issuance of the bonds will be of benefit
 3 to the health, safety, morals, or general welfare of the state
 4 and complies with the purposes and provisions of this article
 5 by promoting a substantial likelihood for one (1) or more of
 6 the following:

- 7 (A) Creating opportunities for gainful employment.
 8 (B) Creating business opportunities.
 9 (C) Educational enrichment (including cultural,
 10 intellectual, scientific, or artistic opportunities).
 11 (D) The abatement, reduction, or prevention of pollution.
 12 (E) The removal or treatment of any substances in
 13 materials being processed that would otherwise cause
 14 pollution when used.

15 The authority may by resolution approve the proposed taxable
 16 bond issue.

17 Sec. 20. As each unidentified economic development project is
 18 identified for possible funding from a program under section
 19 19(11) of this chapter, the requirements of sections 12, 13, 14, 15,
 20 and 16 of this chapter shall be complied with as a condition
 21 precedent to entering into a financing agreement for the funding
 22 of the economic development project.

23 Sec. 21. Bonds issued to fund a program under this chapter are
 24 not in any respect a general obligation of the state, nor are they
 25 payable in any manner from revenues raised by taxation.

26 Sec. 22. Any resolution adopted to authorize the issuance of
 27 taxable bonds to fund a program under section 19(11) of this
 28 chapter may provide that the bonds are payable solely from:

- 29 (1) revenues and receipts derived from the various financing
 30 agreements; or
 31 (2) the payments made under any other agreements to secure
 32 the obligations of the developers, users, related persons, or the
 33 authority.

34 Sec. 23. (a) The authority may invest in, purchase or make
 35 commitments to invest in or purchase, and take assignments or
 36 make commitments to take assignments of, loans made for the
 37 acquisition, construction, installation, rehabilitation, or purchase
 38 of economic development projects.

39 (b) Before investment, purchase, assignment, or commitment,
 40 the lender shall certify that the proceeds of the authority's bonds
 41 will be used to make loans to provide financing for economic
 42 development projects, or pending the making of the loan, invested



1 in short term obligations complying with the requirements of this
2 article.

3 (c) The authority shall purchase a loan at a purchase price equal
4 to the outstanding principal balance, but the authority may require
5 a discount from the principal balance or make a payment of a
6 premium to effect a fair rate of return for the lender, as
7 determined by the rate of return on comparable investments under
8 market conditions existing at the time of purchase.

9 (d) In addition to the payment of the outstanding principal
10 balance, the authority shall pay the accrued interest due on the
11 loan, on the date the loan is delivered against payment for the loan
12 or on another date as may be established by agreement between the
13 authority and the selling lender.

14 Sec. 24. Before exercising any of the powers authorized in
15 section 23 of this chapter, the authority shall require the lender to
16 certify and agree that:

17 (1) the loan is, or, if the loan has not been made, will be, at the
18 time of making, in all respects a prudent investment; and

19 (2) the lender will make the loan and sell the loan to the
20 authority within a reasonable period of time.

21 Sec. 25. Before exercising any of the powers conferred by
22 section 23 of this chapter, the authority may:

23 (1) require that the loan involved be insured by a loan insurer
24 or be guaranteed by a loan guarantor;

25 (2) require any type of security that the authority considers
26 reasonable and necessary; or

27 (3) authorize the reservation of funds by lenders in the
28 amount and subject to conditions as the authority considers
29 reasonable and necessary under this chapter.

30 Sec. 26. (a) The authority has the power to issue, from time to
31 time, bonds to renew or to pay bonds, including the interest on
32 these bonds, if these bonds have been issued to finance projects that
33 constitute economic development projects, and whenever the
34 authority considers refunding expedient, to refund any bonds by
35 the issuance of new bonds, whether the bonds to be refunded have
36 or have not matured, and to issue bonds partly to refund
37 outstanding bonds and partly for any other of its corporate
38 purposes as long as the bonds to be refunded were issued to finance
39 projects that constitute economic development projects.

40 (b) With respect to any bonds issued under this chapter, the
41 cumulative terms of refunding bonds may not exceed fifty (50)
42 years.



1 (c) Refunding bonds issued under this section are payable solely
2 from revenues and receipts derived from:

3 (1) financing agreements with the users or developers of the
4 facilities originally financed by the outstanding bonds, or
5 related persons; or

6 (2) payments made under guaranty agreements by developers,
7 users, or related persons.

8 The financing agreements or guaranties may be new financing
9 agreements or guaranties or amendments of the original financing
10 agreements or guaranties.

11 (d) Sections 13 and 15 of this chapter do not apply to the
12 issuance of refunding bonds under this section.

13 Sec. 27. (a) Property owned by the authority and leased to a
14 person for an economic development project is not public property.

15 (b) Any economic development project financed by a loan under
16 the authority of this chapter is not public property and is not
17 exempt from any taxes of this state, or any county, city, or other
18 political subdivision of this state, except for pollution control
19 equipment.

20 (c) The property and the economic development project are
21 subject to all taxes of this state or any county, city, or other
22 political subdivision of this state in the same manner and subject
23 to the same exemptions that apply to all persons.

24 Chapter 10. Wastewater and Drinking Water Revolving Loan
25 Programs

26 Sec. 1. At the request of the department of environmental
27 management, the authority shall carry out the programs
28 established under this chapter.

29 Sec. 2. The following programs are established:

30 (1) The wastewater revolving loan program.

31 (2) The drinking water revolving loan program.

32 Sec. 3. (a) The following funds are established:

33 (1) The drinking water revolving loan fund (referred to in this
34 chapter as the "drinking water SRF fund" or "fund").

35 (2) The wastewater revolving loan fund (referred to in this
36 chapter as the "wastewater SRF fund" or "fund").

37 (b) The authority shall administer, hold, and manage each fund.

38 (c) Except as provided in the federal Clean Water Act or the
39 federal Safe Drinking Water Act, the cost of administering either
40 fund or program may be paid from the appropriate fund or from
41 other money.

42 (d) All money accruing to each fund and money allotted to the



1 state under federal law is appropriated continuously for the
2 purposes specified in this chapter.

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

5 Sec. 4. Each fund is established to provide money for loans and
6 other financial assistance under this chapter to or for the benefit
7 of participants, including forgiveness of principal if allowed under
8 federal law.

9 Sec. 5. (a) The general assembly may appropriate money to
10 either fund.

11 (b) Grants or gifts of money to either fund from the federal
12 government or other sources and the proceeds of the sale of:

13 (1) gifts to either fund; and

14 (2) loans and other financial assistance, as provided in
15 sections 11 through 15 of this chapter;

16 shall be deposited in the appropriate fund.

17 (c) Repayments of loans and other financial assistance from
18 either fund, including interest, premiums, and penalties, shall be
19 deposited in the appropriate fund.

20 Sec. 6. (a) The authority shall invest the money in each fund in
21 accordance with an investment policy adopted by the authority.
22 Interest, premiums, gains, or other earnings from the investments
23 shall be credited to and deposited in the appropriate fund.

24 (b) As an alternative to subsection (a), the authority may invest
25 or cause to be invested all or a part of each fund in a fiduciary
26 account or accounts with a trustee that is a financial institution.
27 Notwithstanding any other law, any investment may be made by
28 the trustee in accordance with one (1) or more trust agreements or
29 indentures. A trust agreement or indenture may permit
30 disbursements by the trustee to:

31 (1) a participant;

32 (2) the authority; or

33 (3) any person to which the authority or a participant is
34 obligated, as provided in the trust agreement or indenture.

35 Sec. 7. (a) Money in the wastewater SRF fund may be used for
36 wastewater collection and treatment systems.

37 (b) Money in the drinking water SRF fund may be used for
38 public water systems that will facilitate compliance with national
39 primary drinking water regulations applicable to public water
40 systems under the federal Safe Drinking Water Act or otherwise
41 significantly further the health protection objectives of the federal
42 Safe Drinking Water Act.



1 (c) Money in each fund may be used to do the following:

2 (1) Provide loans or other financial assistance to participants
3 for:

4 (A) the planning;

5 (B) the designing;

6 (C) the construction;

7 (D) the renovation;

8 (E) the improvement;

9 (F) the expansion; or

10 (G) any combination of the activities described in clauses

11 (A) through (F);

12 for the purposes described in subsections (a) and (b),
13 including other activities necessary or convenient to complete
14 these tasks.

15 (2) Pay the cost of administering each fund and program.

16 (3) Carry out any purpose eligible for assistance under the
17 federal Clean Water Act or the federal Safe Drinking Water
18 Act.

19 (4) Conduct all other activities that are allowed by the federal
20 Clean Water Act or the federal Safe Drinking Water Act.

21 **Sec. 8.** The authority may develop and implement a strategy to
22 assist participants in acquiring and maintaining technical,
23 managerial, and financial capacity as contemplated by the federal
24 Clean Water Act or the federal Safe Drinking Water Act.

25 **Sec. 9.** This chapter does not require the authority to provide a
26 loan or other financial assistance to any participant to the extent
27 the authority determines the loan or financial assistance is not in
28 the best interests of the wastewater or drinking water program and
29 the authority.

30 **Sec. 10.** The authority may contract with the department of
31 environmental management or any other entity or person for
32 assistance in administering the wastewater or drinking water
33 program and the wastewater SRF fund or drinking water SRF
34 fund and in carrying out the purposes of this chapter.

35 **Sec. 11.** For the purposes of this chapter, the authority shall do
36 the following:

37 (1) Administer, hold, and manage all aspects of each fund and
38 the wastewater or drinking water program, and any related
39 fund or account the authority creates under this chapter.

40 (2) Be the point of contact in relations with the United States
41 Environmental Protection Agency.

42 (3) Prepare and provide wastewater or drinking water



- 1 program information.
- 2 (4) Ensure that each proposed financial assistance agreement
- 3 meets the environmental and technical aspects of the
- 4 wastewater or drinking water program.
- 5 (5) Periodically inspect project design and construction to
- 6 determine compliance with the following:
- 7 (A) This chapter.
- 8 (B) The federal Clean Water Act or the federal Safe
- 9 Drinking Water Act.
- 10 (C) Construction plans and specifications.
- 11 (6) Negotiate the negotiable aspects of each financial
- 12 assistance agreement.
- 13 (7) Manage any payment systems through which the state
- 14 receives grant payments from the federal government for the
- 15 wastewater or drinking water program and disbursements to
- 16 the wastewater SRF fund or drinking water SRF fund.
- 17 (8) Prepare annual reports concerning each fund and
- 18 program.
- 19 (9) Be the point of contact with participants and other
- 20 interested persons in preparing and providing wastewater or
- 21 drinking water program information.
- 22 (10) Prepare or cause to be prepared each financial assistance
- 23 agreement.
- 24 (11) Sign each financial assistance agreement.
- 25 (12) Conduct or cause to be conducted an evaluation as to the
- 26 financial ability of each participant to pay the loan or other
- 27 financial assistance and other obligations evidencing the loans
- 28 or other financial assistance, if required to be paid, and
- 29 comply with the financial assistance agreement.
- 30 Sec. 12. The authority may provide services to a participant in
- 31 connection with a loan or other financial assistance, including
- 32 advisory and other services.
- 33 Sec. 13. (a) In connection with the wastewater or drinking water
- 34 program, the authority may:
- 35 (1) charge a fee for services provided;
- 36 (2) charge a fee for costs and services incurred in the review
- 37 or consideration of an application for a proposed loan or
- 38 other financial assistance to or for the benefit of a participant
- 39 under this chapter, regardless of whether the application is
- 40 approved or rejected; and
- 41 (3) charge a fee (or cause interest on a loan made from the
- 42 wastewater SRF fund or drinking water SRF fund to be so



- 1 designated) in any manner allowed by the federal Clean
 2 Water Act or the federal Safe Drinking Water Act.
- 3 (b) A participant may pay fees charged under this section. If
 4 directed by the authority, a fee charged under this section may be
 5 instead of all or a portion of a scheduled interest payment.
- 6 (c) Fees shall be held and applied by the authority in any
 7 manner allowed by the federal Clean Water Act or the federal Safe
 8 Drinking Water Act.
- 9 Sec. 14. (a) The authority shall use a priority ranking system in
 10 making loans or other financial assistance from each fund.
- 11 (b) The authority, in consultation with other state agencies the
 12 authority determines to be appropriate, shall develop the priority
 13 ranking system to achieve optimum water quality consistent with
 14 federal primary drinking water regulations and health protection
 15 objectives of the federal Safe Drinking Water Act, the water
 16 quality goals of the state, and the federal Clean Water Act.
- 17 Sec. 15. (a) The authority may make loans or provide other
 18 financial assistance from each fund to or for the benefit of a
 19 participant for the following:
- 20 (1) Establish guaranties, reserves, or sinking funds, including
 21 guaranties, reserves, or sinking funds to secure and pay, in
 22 whole or in part, loans or other financial assistance made
 23 from sources other than the wastewater SRF fund or drinking
 24 water SRF fund (including financial institutions) for a
 25 purpose permitted by this chapter.
- 26 (2) Provide interest subsidies.
- 27 (3) Pay financing charges, including interest on the loan or
 28 other financial assistance during construction and for a
 29 reasonable period after the completion of construction.
- 30 (b) The authority shall establish the terms and conditions that
 31 the authority considers necessary or convenient to:
- 32 (1) make loans; or
 33 (2) provide other financial assistance under this chapter.
- 34 (c) Notwithstanding any other law, the authority may establish
 35 and implement requirements that:
- 36 (1) apply to loans and other financial assistance to be made to
 37 participants that are not political subdivisions; and
 38 (2) are different from, or in addition to, requirements that
 39 apply to loans and financial assistance made to political
 40 subdivisions.
- 41 Sec. 16. A loan or other financial assistance from either fund
 42 must be accompanied by the following:



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- (1) All papers and opinions required by the authority.**
- (2) Unless otherwise provided by the guidelines of the authority, the following:**
 - (A) An approving opinion of nationally recognized bond counsel.**
 - (B) A certification and guarantee of signatures.**
 - (C) A certification that, as of the date of the loan or other financial assistance:**
 - (i) no litigation is pending challenging the validity of or entry into the loan or other financial assistance or any security for the loan or other financial assistance; or**
 - (ii) if litigation is pending, the litigation will not have a material adverse effect on the validity of the loan or other financial assistance or any security for the loan or other financial assistance.**
 - (D) If litigation is pending, as an alternative to the certification described in clause (C), an opinion of legal counsel that the litigation will not have a material adverse effect on the validity of the loan or other financial assistance.**

Sec. 17. A participant receiving a loan or other financial assistance from the wastewater SRF fund or drinking water SRF fund shall enter into a financial assistance agreement. A financial assistance agreement related to the wastewater or drinking water program is a valid, binding, and enforceable agreement of the participant.

Sec. 18. The authority may sell or pledge loans or evidence of other financial assistance and other obligations of participants to the extent allowed by the federal Clean Water Act or the federal Safe Drinking Water Act.

Sec. 19. (a) The authority may pledge loans or evidence of other financial assistance and other obligations of participants evidencing the loans or other financial assistance from the wastewater SRF fund or drinking water SRF fund to secure:

- (1) other loans or financial assistance from the wastewater SRF fund or drinking water SRF fund to or for the benefit of participants; or**
 - (2) other loans or financial assistance from the supplemental fund to or for the benefit of participants;**
- to the extent allowed by the federal Safe Drinking Water Act or the federal Clean Water Act.**

(b) The authority must approve the terms of a pledge under this



1 section.

2 (c) Notwithstanding any other law, a pledge of property made
3 by the authority under this section is binding from the time the
4 pledge is made. Revenues, other money, or other property pledged
5 and that is received after the pledge are immediately subject to the
6 lien of the pledge without any other act. The lien of a pledge is
7 binding against all parties having claims of any kind in tort,
8 contract, or otherwise against:

- 9 (1) the drinking water SRF fund;
10 (2) the wastewater SRF fund; or
11 (3) the authority;

12 regardless of whether the parties have notice of any lien.

13 (d) A resolution, an indenture, or other instrument by which a
14 pledge is created does not have to be filed or recorded, except in
15 the records of the authority.

16 (e) Action taken to:

- 17 (1) enforce a pledge under this section; and
18 (2) realize the benefits of the pledge;

19 is limited to the property pledged.

20 (f) A pledge under this section does not create a liability or
21 indebtedness of the state.

22 Sec. 20. (a) The authority shall establish the interest rate or
23 parameters for establishing the interest rate on each loan made
24 under this chapter, including parameters for establishing the
25 amount of interest subsidies.

26 (b) The authority, in setting the interest rate or parameters for
27 establishing the interest rate on each loan, may take into account
28 the following:

- 29 (1) Credit risk.
30 (2) Environmental, water quality, and health protection.
31 (3) Affordability.
32 (4) Other fiscal factors the authority considers relevant,
33 including the wastewater or drinking water program's cost of
34 funds and whether the financial assistance provided to a
35 particular participant is taxable or tax exempt under federal
36 law.

37 Based on the factors set forth in subdivisions (1) through (4), more
38 than one (1) interest rate may be established and used for loans or
39 other financial assistance to different participants or for different
40 loans or other financial assistance to the same participants.

41 Sec. 21. The authority shall require a participant receiving a
42 loan or other financial assistance under this chapter to establish



1 under applicable law and maintain sufficient user charges or other
2 charges, fees, taxes, special assessments, or revenues available to
3 the participant to:

4 (1) operate and maintain the public water or wastewater
5 collection and treatment system; and
6 (2) pay the obligations of the public water system.

7 Sec. 22. The authority may adopt guidelines, without complying
8 with IC 4-22-2, to govern the administration of this chapter.

9 Sec. 23. (a) As an alternative to making loans or providing other
10 financial assistance to participants, the authority may use the
11 money in either fund to provide a leveraged loan program and
12 other financial assistance programs allowed by the federal Clean
13 Water Act or the federal Safe Drinking Water Act to or for the
14 benefit of participants, including using money in the wastewater
15 SRF fund or drinking water SRF fund to enhance the obligations
16 of participants issued for the purposes of this chapter by:

17 (1) granting money to:
18 (A) be deposited in:

19 (i) a capital fund or reserve fund established under
20 IC 5-1.2-4 or another statute or a trust agreement or
21 indenture as contemplated by this chapter; or
22 (ii) an account established within a fund described in
23 item (i); or

24 (B) provide interest subsidies;

25 (2) paying bond insurance premiums, reserve insurance
26 premiums, or credit enhancement, liquidity support,
27 remarketing, or conversion fees, or other similar fees or costs
28 for obligations of a participant or for bonds issued by the
29 authority, if credit market access is improved or interest rates
30 are reduced; or

31 (3) guaranteeing all or a part of obligations issued by
32 participants or bonds issued by the authority.

33 (b) A guarantee of obligations or bonds under subsection (a)(3)
34 must be limited to money in the wastewater SRF fund or drinking
35 water SRF fund and the supplemental fund. A guarantee under
36 subsection (a)(3) does not create a liability or indebtedness of the
37 state.

38 Sec. 24. Notwithstanding any other law, and to the extent
39 allowed by the federal Clean Water Act or the federal Safe
40 Drinking Water Act, money in the wastewater SRF fund or
41 drinking water SRF fund, together with loan repayments to be
42 deposited in the wastewater SRF fund or drinking water SRF fund,



1 may be used to establish a leveraged loan program or other
2 financial assistance programs established in connection with the
3 wastewater SRF fund or drinking water SRF fund.

4 Chapter 11. Supplemental Drinking Water and Wastewater
5 Assistance Program

6 Sec. 1. At the request of the department of environmental
7 management, the authority shall carry out the program established
8 under this chapter.

9 Sec. 2. The supplemental drinking water and wastewater
10 assistance program (referred to in this chapter as "program") is
11 established.

12 Sec. 3. (a) The supplemental drinking water and wastewater
13 assistance fund (referred to in this chapter as "fund") is
14 established.

15 (b) The authority shall administer, hold, and manage the
16 supplemental fund.

17 (c) The cost of administering the supplemental fund may be paid
18 from money in the supplemental fund.

19 (d) All money accruing to the supplemental fund is appropriated
20 continuously for the purposes specified in this chapter.

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

23 Sec. 4. (a) The general assembly may appropriate money to the
24 supplemental fund.

25 (b) Grants or gifts of money to the supplemental fund and
26 proceeds of the sale of:

- 27 (1) gifts to the supplemental fund; and
- 28 (2) loans and other financial assistance, as provided in this
29 chapter;

30 shall be deposited in the supplemental fund.

31 (c) Repayments of loans and other financial assistance from the
32 supplemental fund, including interest, premiums, and penalties,
33 shall be deposited in the supplemental fund.

34 Sec. 5. (a) The authority shall invest the money in the
35 supplemental fund in accordance with an investment policy
36 adopted by the authority. Interest, premiums, gains, or other
37 earnings from the investments shall be credited to and deposited in
38 the supplemental fund.

39 (b) As an alternative to subsection (a), the authority may invest
40 or cause to be invested all or a part of the supplemental fund in a
41 fiduciary account or accounts with a trustee that is a financial
42 institution. Notwithstanding any other law, any investment may be



1 made by the trustee in accordance with one (1) or more trust
 2 agreements or indentures. A trust agreement or indenture may
 3 permit disbursements by the trustee to the authority, a participant,
 4 or any other person as provided in the trust agreement or
 5 indenture.

6 **Sec. 6. Money in the supplemental fund may be used to do the**
 7 **following:**

8 **(1) Provide grants, loans, or other financial assistance to or**
 9 **for the benefit of participants for the planning, designing,**
 10 **acquisition, construction, renovation, improvement, or**
 11 **expansion of the following:**

12 **(A) A public water system, whether or not those other**
 13 **activities are allowed by the federal Clean Water Act or**
 14 **the federal Safe Drinking Water Act.**

15 **(B) A wastewater or storm water collection and treatment**
 16 **system.**

17 **The money may be used to pay for other activities necessary**
 18 **or convenient to complete these tasks, regardless of whether**
 19 **those other activities are allowed by the federal Clean Water**
 20 **Act or the federal Safe Drinking Water Act.**

21 **(2) Provide grants, loans, or other financial assistance to**
 22 **political subdivisions for tasks associated with the**
 23 **development and preparation of:**

24 **(A) long term control plans;**

25 **(B) use attainability analyses; and**

26 **(C) storm water management programs.**

27 **(3) Provide interest subsidies.**

28 **(4) Establish guaranties, reserves, or sinking funds, including**
 29 **guaranties, reserves, or sinking funds to secure and pay, in**
 30 **whole or in part, loans or other financial assistance made**
 31 **from sources other than the supplemental fund (including**
 32 **financial institutions) for a purpose allowed by subdivision**
 33 **(1).**

34 **(5) Pay financing charges, including interest on the loan or**
 35 **other financial assistance during construction and for a**
 36 **reasonable period after the completion of construction.**

37 **(6) Pay the cost of administering the supplemental fund and**
 38 **the supplemental program.**

39 **(7) Conduct all other activities that are allowed by the federal**
 40 **Clean Water Act or the federal Safe Drinking Water Act.**

41 **Sec. 7. The authority shall develop criteria to make or provide**
 42 **grants, loans, or other financial assistance from the supplemental**



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fund.
Sec. 8. The authority must establish the terms and conditions that the authority considers necessary or convenient to make grants or loans or provide other financial assistance under this chapter.

Sec. 9. This chapter does not require the authority to provide a loan or other financial assistance to any participant to the extent the authority determines loan or financial assistance is not in the best interests of the supplemental program and the authority.

Sec. 10. A loan or other financial assistance from the fund must be accompanied by the following:

- (1) All papers and opinions required by the authority.**
- (2) Unless otherwise provided by the guidelines of the authority, the following:**
 - (A) An approving opinion of nationally recognized bond counsel.**
 - (B) A certification and guarantee of signatures.**
 - (C) A certification that, as of the date of the loan or other financial assistance:**
 - (i) no litigation is pending challenging the validity of or entry into the loan or other financial assistance or any security for the loan or other financial assistance; or**
 - (ii) if litigation is pending, the litigation will not have a material adverse effect on the validity of the loan or other financial assistance or any security for the loan or other financial assistance.**
 - (D) If litigation is pending, as an alternative to the certification described in clause (C), an opinion of legal counsel that the litigation will not have a material adverse effect on the validity of the loan or other financial assistance.**

Sec. 11. A participant receiving a grant, loan, or other financial assistance from the supplemental fund shall enter into a financial assistance agreement. A financial assistance agreement related to the supplemental program is a valid, binding, and enforceable agreement of the participant.

Chapter 11.5. Monitoring, Study, and Assessment by the Indiana Finance Authority

Sec. 1. As used in this chapter, "governmental requirement" means a requirement imposed on a utility by a governmental unit in connection with:

- (1) the federal Clean Water Act (33 U.S.C. 1251 et seq.);**



- 1 (2) the federal Safe Drinking Water Act (42 U.S.C. 300f et
- 2 seq.); or
- 3 (3) any other law, order, rule, or regulation administered or
- 4 issued by the United States Environmental Protection Agency,
- 5 the department of environmental management, or the
- 6 department of natural resources in connection with the
- 7 federal Clean Water Act or the federal Safe Drinking Water
- 8 Act.

9 **Sec. 2. As used in this chapter, "utility" means:**

- 10 (1) a public utility (as defined in IC 8-1-2-1(a));
- 11 (2) a municipally owned utility (as defined in IC 8-1-2-1(h));
- 12 or
- 13 (3) a not-for-profit utility (as defined in IC 8-1-2-125(a));

14 that provides water or wastewater service to the public.

15 **Sec. 3. The IFA shall monitor and study events and conditions**
 16 **that bear upon the ability of utilities to provide clean and safe**
 17 **drinking water in Indiana for the foreseeable future, including the**
 18 **ability of utilities to directly or indirectly fund the increasing costs**
 19 **of meeting governmental requirements.**

20 **Sec. 4. The powers of the IFA under section 3 of this chapter**
 21 **include the following:**

- 22 (1) Assessing issues related to service line ownership and
- 23 replacement.
- 24 (2) Assessing the challenges that utilities are likely to
- 25 encounter as they become subject to more stringent
- 26 governmental requirements.
- 27 (3) Studying cost recovery mechanisms that enable utilities to
- 28 respond quickly to system needs.
- 29 (4) Monitoring the growing costs for utilities in complying
- 30 with consent decrees related to governmental requirements.
- 31 (5) Studying regional water ownership issues, including
- 32 cross-border issues.

33 **Chapter 12. Indiana Brownfields Program**

34 **Sec. 1. At the request of the department of environmental**
 35 **management, the authority shall carry out the program established**
 36 **under this chapter.**

37 **Sec. 2. The Indiana brownfields program is established to assist**
 38 **in the remediation of brownfields to encourage the rehabilitation,**
 39 **redevelopment, and reuse of real property by providing grants,**
 40 **loans, forgivable loans, awards of professional services, or other**
 41 **financial assistance to or for the benefit of political subdivisions to**
 42 **conduct any of the following activities:**



- 1 **(1) Identification and acquisition of brownfields within a**
- 2 **political subdivision as suitable candidates for redevelopment.**
- 3 **(2) Environmental assessment of identified brownfields,**
- 4 **including assessment of petroleum and hazardous substances**
- 5 **contamination, and other activities necessary or convenient to**
- 6 **complete the environmental assessments.**
- 7 **(3) Remediation activities conducted on brownfields,**
- 8 **including:**
 - 9 **(A) remediation of petroleum and hazardous substances**
 - 10 **contamination; and**
 - 11 **(B) other activities necessary or convenient to complete**
 - 12 **remediation activities conducted on brownfields, including**
 - 13 **clearance of real property.**
- 14 **(4) Other activities in conjunction with assessment and**
- 15 **remediation activities necessary or convenient to prepare a**
- 16 **brownfield for redevelopment.**
- 17 **Sec. 3. (a) The Indiana brownfields fund is established to**
- 18 **provide money for grants, loans, and other financial assistance to**
- 19 **or for the benefit of political subdivisions under this chapter. The**
- 20 **authority shall administer, hold, and manage the Indiana**
- 21 **brownfields fund.**
- 22 **(b) Money in the fund at the end of a state fiscal year does not**
- 23 **revert to the state general fund.**
- 24 **(c) Expenses of administering the Indiana brownfields fund shall**
- 25 **be paid from money in the Indiana brownfields fund.**
- 26 **(d) The Indiana brownfields fund consists of the following:**
 - 27 **(1) Appropriations made by the general assembly.**
 - 28 **(2) Grants and gifts intended for deposit in the Indiana**
 - 29 **brownfields fund.**
 - 30 **(3) Repayments of loans and other financial assistance from**
 - 31 **the Indiana brownfields fund, including premiums, interest,**
 - 32 **and penalties.**
 - 33 **(4) Proceeds from the sale of loans and other financial**
 - 34 **assistance under section 7 of this chapter.**
 - 35 **(5) Interest, premiums, gains, or other earnings on the**
 - 36 **Indiana brownfields fund.**
 - 37 **(6) Money transferred from the hazardous substances**
 - 38 **response trust fund under IC 13-25-4-1(a)(9).**
 - 39 **(7) Fees collected under section 6 of this chapter.**
 - 40 **(8) Money transferred from the underground petroleum**
 - 41 **storage tank excess liability trust fund under IC 13-23-7 for**
 - 42 **the purpose of environmental assessment and remediation on**



- 1 a property containing at least one (1) underground storage
- 2 tank.
- 3 (9) Money transferred from the petroleum trust fund under
- 4 IC 13-23-12-4(1) for the purpose of corrective actions that
- 5 involve releases of regulated substances from underground
- 6 storage tanks and are ineligible to receive funds from the
- 7 underground petroleum storage tank excess liability trust
- 8 fund under IC 13-23-7.
- 9 (e) The authority shall invest the money in the Indiana
- 10 brownfields fund not currently needed to meet the obligations of
- 11 the Indiana brownfields fund in accordance with an investment
- 12 policy adopted by the authority. Interest, premiums, gains, or other
- 13 earnings from the investments shall be credited to and deposited in
- 14 the Indiana brownfields fund.
- 15 (f) As an alternative to subsection (e), the authority may invest
- 16 or cause to be invested all or a part of the Indiana brownfields fund
- 17 in a fiduciary account or accounts with a trustee that is a financial
- 18 institution. Notwithstanding any other law, any investment may be
- 19 made by the trustee in accordance with one (1) or more trust
- 20 agreements or indentures. A trust agreement or indenture may
- 21 allow disbursements by the trustee to the authority, a participant,
- 22 or any other person as provided in the trust agreement or
- 23 indenture.
- 24 Sec. 4. (a) The authority shall do the following under this
- 25 chapter:
- 26 (1) Be responsible for the management of all aspects of the
- 27 Indiana brownfields program.
- 28 (2) Prepare and provide program information.
- 29 (3) Negotiate the negotiable aspects of each financial
- 30 assistance agreement.
- 31 (4) Sign each financial assistance agreement.
- 32 (5) Review each proposed project and financial assistance
- 33 agreement to determine if the project meets the credit,
- 34 economic, or fiscal criteria established by guidelines of the
- 35 authority.
- 36 (6) Periodically inspect or cause to be inspected projects to
- 37 determine compliance with this chapter.
- 38 (7) Conduct or cause to be conducted an evaluation
- 39 concerning the financial ability of a private individual or
- 40 entity, nonprofit entity, or political subdivision to:
- 41 (A) pay a loan or other financial assistance and other
- 42 obligations evidencing loans or other financial assistance,



- 1 **if required to be paid; and**
 2 **(B) otherwise comply with terms of the financial assistance**
 3 **agreement.**
 4 **(8) Evaluate or cause to be evaluated the technical aspects of**
 5 **the private individual or entity, nonprofit entity, or political**
 6 **subdivision's:**
 7 **(A) environmental assessment of potential brownfield**
 8 **properties;**
 9 **(B) proposed remediation; and**
 10 **(C) remediation activities conducted on brownfield**
 11 **properties.**
 12 **(9) Inspect or cause to be inspected remediation activities**
 13 **conducted under this chapter.**
 14 **(10) Act as a liaison to the United States Environmental**
 15 **Protection Agency regarding the Indiana brownfields**
 16 **program.**
 17 **(11) Be a point of contact for private entities, nonprofit**
 18 **entities, and political subdivisions concerning questions about**
 19 **the Indiana brownfields program.**
 20 **(12) Enter into memoranda of understanding, as necessary,**
 21 **with the department of environmental management and the**
 22 **budget agency concerning the administration and**
 23 **management of the Indiana brownfields fund and the Indiana**
 24 **brownfields program.**
 25 **(b) The authority may do the following under this chapter:**
 26 **(1) Undertake activities to make private environmental**
 27 **insurance products available to encourage and facilitate the**
 28 **cleanup and redevelopment of brownfield properties.**
 29 **(2) Enter into agreements with private entities, nonprofit**
 30 **entities, and political subdivisions to manage any of the**
 31 **following conducted on brownfield properties:**
 32 **(A) Environmental assessment activities.**
 33 **(B) Environmental remediation activities.**
 34 **(C) Demolition and clearance activities.**
 35 **(c) The authority may:**
 36 **(1) negotiate with;**
 37 **(2) select; and**
 38 **(3) contract with;**
 39 **one (1) or more insurers to provide insurance products as**
 40 **described in subsection (b)(1).**
 41 **(d) The authority may:**
 42 **(1) negotiate with;**



1 (2) select; and
 2 (3) contract with;
 3 one (1) or more environmental consultants to undertake the
 4 activities described in subsection (b)(2) for the benefit of private
 5 entities, nonprofit entities, and political subdivisions.
 6 (e) Notwithstanding IC 13-23, IC 13-24-1, and IC 13-25-4, the
 7 authority is not liable for any contamination addressed by the
 8 authority under an agreement under subsection (b)(2) unless
 9 existing contamination on the brownfield is exacerbated due to
 10 gross negligence or intentional misconduct by the authority.
 11 (f) For purposes of subsection (e), reckless, willful, or wanton
 12 misconduct constitutes gross negligence.
 13 (g) The authority is entitled to the same governmental immunity
 14 afforded a political subdivision under IC 34-13-3-3(22) for any act
 15 taken to investigate or remediate hazardous substances, petroleum,
 16 or other pollutants associated with a brownfield under an
 17 agreement under subsection (b)(2).
 18 (h) This chapter does not require the authority to provide a loan
 19 or other financial assistance to any private individual or entity,
 20 nonprofit entity, or political subdivision to the extent the authority
 21 determines that providing the loan or other financial assistance is
 22 not in the best interests of the Indiana brownfields program and
 23 the authority.
 24 **Sec. 5. The authority may do the following:**
 25 (1) **Employ:**
 26 (A) fiscal consultants;
 27 (B) environmental consultants;
 28 (C) engineers;
 29 (D) bond counsel;
 30 (E) other special counsel;
 31 (F) accountants; and
 32 (G) any other consultants, employees, and agents;
 33 that the authority considers necessary to carry out the
 34 purposes of this chapter.
 35 (2) Fix and pay the compensation of persons employed under
 36 subdivision (1) from money available in the Indiana
 37 brownfields fund or otherwise made available for the Indiana
 38 brownfields program.
 39 (3) Provide services to a private individual or entity, nonprofit
 40 entity, or political subdivision in connection with a loan or
 41 other financial assistance, including advisory and other
 42 services.



1 **Sec. 6. (a) The authority may provide services to a person (as**
2 **defined in IC 13-11-2-158(a)) in connection with financial**
3 **assistance, technical assistance, and liability clarification, and may**
4 **assess and collect a fee for:**

5 **(1) services provided to offset the costs of providing the**
6 **services; and**

7 **(2) costs and services incurred in the review or consideration**
8 **of an application for a proposed loan or other financial**
9 **assistance to or for the benefit of a political subdivision under**
10 **this chapter, regardless of whether the application is**
11 **approved or rejected.**

12 **(b) A political subdivision may pay fees charged under this**
13 **section.**

14 **(c) The authority shall adopt guidelines for the assessment and**
15 **collection of fees under this section.**

16 **(d) Fees collected under this section shall be deposited in the**
17 **Indiana brownfields fund.**

18 **Sec. 7. The authority shall use a priority ranking system in**
19 **making loans and providing other financial assistance under this**
20 **chapter based on the following:**

21 **(1) Socioeconomic distress in an area, as determined by the**
22 **poverty level and unemployment rate in the area.**

23 **(2) The technical evaluation under section 4(a)(8)(A),**
24 **4(a)(8)(B), and 4(a)(8)(C) of this chapter.**

25 **(3) Other factors determined by the authority, including the**
26 **following:**

27 **(A) The number and quality of jobs that would be**
28 **generated by a project.**

29 **(B) Housing, recreational, and educational needs of**
30 **communities.**

31 **(C) Any other factors the authority determines will assist**
32 **in the implementation of this chapter.**

33 **Sec. 8. (a) A loan or other financial assistance must be used for**
34 **at least one (1) of the purposes under section 2 of this chapter and**
35 **may be used for any of the following purposes:**

36 **(1) To:**

37 **(A) establish guaranties, reserves, or sinking funds,**
38 **including guaranties, reserves, or sinking funds to secure**
39 **and pay, in whole or in part, loans or other financial**
40 **assistance made from sources other than the Indiana**
41 **brownfields fund (including financial institutions) for a**
42 **purpose allowed by this chapter; or**



- 1 **(B) provide interest subsidies.**
 2 **(2) To pay financing charges, including interest on the loan or**
 3 **other financial assistance during remediation and for a**
 4 **reasonable period after the completion of remediation.**
 5 **(3) To pay consultant, advisory, and legal fees, and any other**
 6 **costs or expenses resulting from:**
 7 **(A) the assessment, planning, or remediation of a**
 8 **brownfield; or**
 9 **(B) the loan or other financial assistance.**
 10 **(b) The authority shall establish the interest rate or parameters**
 11 **for establishing the interest rate on each loan made under this**
 12 **chapter, including parameters for establishing the amount of**
 13 **interest subsidies.**
 14 **(c) The authority, in setting the interest rate or parameters for**
 15 **establishing the interest rate on each loan, may take into account**
 16 **the following:**
 17 **(1) Credit risk.**
 18 **(2) Environmental, water quality, and health protection.**
 19 **(3) Affordability.**
 20 **(4) Other fiscal factors the authority considers relevant,**
 21 **including the Indiana brownfields program's cost of funds**
 22 **and whether the financial assistance provided to or for the**
 23 **benefit of a particular political subdivision is taxable or tax**
 24 **exempt under federal law.**
 25 **Based on the factors set forth in subdivisions (1) through (4), more**
 26 **than one (1) interest rate may be established and used for loans or**
 27 **other financial assistance to or for the benefit of different political**
 28 **subdivisions or for different loans or other financial assistance to**
 29 **or for the benefit of the same political subdivision.**
 30 **(d) Before a private individual or entity, nonprofit entity, or**
 31 **political subdivision may receive a loan or other financial**
 32 **assistance, including grants, from the Indiana brownfields fund,**
 33 **the private individual or entity, nonprofit entity, or political**
 34 **subdivision must submit the following:**
 35 **(1) Documentation of community and neighborhood comment**
 36 **concerning the use of a brownfield on which remediation**
 37 **activities will be undertaken after remediation activities are**
 38 **completed.**
 39 **(2) A plan for repayment of the loan or other financial**
 40 **assistance, if applicable.**
 41 **(3) A summary of the environmental objectives of the**
 42 **proposed project.**



1 (e) A private individual or entity, nonprofit entity, or political
2 subdivision that receives a loan or other financial assistance from
3 the Indiana brownfields fund shall enter into a financial assistance
4 agreement. A financial assistance agreement related to the Indiana
5 brownfields program is a valid, binding, and enforceable
6 agreement of the private individual or entity, nonprofit entity, or
7 political subdivision.

8 (f) The authority may sell or assign:

9 (1) loans or evidence of other financial assistance; and

10 (2) other obligations of the private individuals or entities,
11 nonprofit entities, or political subdivisions evidencing the
12 loans or other financial assistance from the Indiana
13 brownfields fund;

14 at any price and on terms acceptable to the authority. Proceeds of
15 sales or assignments under this subsection shall be deposited in the
16 Indiana brownfields fund. A sale or an assignment under this
17 subsection does not create a liability or an indebtedness of the state
18 or the authority except, in the case of the authority, strictly in
19 accordance with the sale or assignment terms.

20 (g) The authority may pledge loans or evidence of other
21 financial assistance and other obligations of private individuals or
22 entities, nonprofit entities, or political subdivisions evidencing the
23 loans or other financial assistance from the Indiana brownfields
24 fund to secure other loans or financial assistance from the Indiana
25 brownfields fund to or for the benefit of political subdivisions. The
26 terms of a pledge under this subsection must be approved by the
27 budget agency. Notwithstanding any other law, a pledge of
28 property made by the authority and approved by the budget
29 agency under this subsection is binding from the time the pledge is
30 made. Revenues, other money, or other property pledged and then
31 received are immediately subject to the lien of the pledge without
32 any further act. The lien of a pledge is binding against all parties
33 having claims of any kind in tort, contract, or otherwise against the
34 authority, a trustee, or the Indiana brownfields fund, regardless of
35 whether the parties have notice of a lien. A resolution, an
36 indenture, or other instrument by which a pledge is created is not
37 required to be filed or recorded, except in the records of the
38 authority. An action taken to enforce a pledge under this
39 subsection and to realize the benefits of the pledge is limited to the
40 property pledged. A pledge under this subsection does not create
41 a liability or an indebtedness of the state or the authority except,
42 in the case of the authority, strictly in accordance with the pledge



- 1 terms.
- 2 **Sec. 9. A loan or other financial assistance from the fund must**
- 3 **be accompanied by the following:**
- 4 **(1) All papers and opinions required by the authority.**
- 5 **(2) Unless otherwise provided by the guidelines of the**
- 6 **authority, the following:**
- 7 **(A) An approving opinion of nationally recognized bond**
- 8 **counsel.**
- 9 **(B) A certification and guarantee of signatures.**
- 10 **(C) A certification that, as of the date of the loan or other**
- 11 **financial assistance:**
- 12 **(i) no litigation is pending challenging the validity of or**
- 13 **entry into the loan or other financial assistance or any**
- 14 **security for the loan or other financial assistance; or**
- 15 **(ii) if litigation is pending, the litigation will not have a**
- 16 **material adverse effect on the validity of the loan or**
- 17 **other financial assistance or any security for the loan or**
- 18 **other financial assistance.**
- 19 **(D) If litigation is pending, as an alternative to the**
- 20 **certification described in clause (C), an opinion of legal**
- 21 **counsel that the litigation will not have a material adverse**
- 22 **effect on the validity of the loan or other financial**
- 23 **assistance.**
- 24 **Sec. 10. The authority may adopt guidelines without complying**
- 25 **with IC 4-22-2 to govern the administration of this chapter.**
- 26 **Sec. 11. (a) As an alternative to making loans or providing other**
- 27 **financial assistance to private individuals or entities, nonprofit**
- 28 **entities, or political subdivisions, the authority may use the money**
- 29 **in the Indiana brownfields fund to provide a leveraged loan**
- 30 **program and other financial assistance programs to or for the**
- 31 **benefit of political subdivisions, including using money in the**
- 32 **Indiana brownfields fund to enhance a private individual or**
- 33 **entity's, nonprofit entity's, or political subdivision's obligations**
- 34 **under this chapter by:**
- 35 **(1) granting money to:**
- 36 **(A) be deposited in:**
- 37 **(i) a capital fund or reserve fund established under**
- 38 **IC 5-1.2-4 or another law, including this chapter; or**
- 39 **(ii) any account established within the Indiana**
- 40 **brownfields fund; or**
- 41 **(B) provide interest subsidies;**
- 42 **(2) paying bond insurance premiums, reserve insurance**



1 premiums, or credit enhancement, liquidity support,
 2 remarketing, or conversion fees, or other similar fees or costs
 3 for obligations of a political subdivision or for bonds or other
 4 obligations issued by a trustee that is a financial institution for
 5 a grantor trust or the authority if credit market access is
 6 improved or interest rates are reduced; or
 7 (3) guaranteeing all or a part of obligations issued by political
 8 subdivisions or of bonds or other obligations issued by a
 9 trustee that is a financial institution for a grantor trust or the
 10 authority.

11 (b) The authority may enter into any agreements with:

- 12 (1) a trustee that is a financial institution for a grantor trust;
- 13 or
- 14 (2) private individuals or entities, nonprofit entities, or
- 15 political subdivisions;

16 to carry out this chapter.

17 (c) A guarantee of obligations or bonds under subsection (a)(3)
 18 must be limited to money in the Indiana brownfields fund. A
 19 guarantee under subsection (a)(3) does not create a liability or an
 20 indebtedness of the state or of the authority except, in the case of
 21 the authority, strictly in accordance with the guarantee terms.

22 (d) Notwithstanding any other law, the authority is considered
 23 a qualified entity for purposes of IC 5-1.5.

24 Sec. 12. (a) Notwithstanding any other law and in addition to
 25 any other law, including this article, the authority may issue,
 26 guarantee, and sell its revenue bonds, notes, and other obligations
 27 and guarantee loans and other financial assistance in connection
 28 with the Indiana brownfields program and the Indiana brownfields
 29 fund. The revenue bonds, notes, and other obligations must be
 30 issued in accordance with a resolution of the authority on terms or
 31 within parameters established by the authority, and proceeds must
 32 be used to carry out one (1) or more of the purposes of this chapter.

33 (b) Compliance with this section constitutes full authority for
 34 the authority to issue and guarantee its revenue bonds, notes, and
 35 other obligations, to guarantee loans and other financial assistance,
 36 and to sell the revenue bonds, notes, and other obligations at public
 37 or private negotiated sale on terms or within parameters
 38 established by the authority. The authority is not required to
 39 comply with any other law applicable to the authorization,
 40 approval, issuance, guarantee, and sale of its revenue bonds, notes,
 41 and other obligations and guarantee loans and other financial
 42 assistance. The revenue bonds, notes, and other obligations,



1 including guarantees, issued by the authority in connection with
 2 the Indiana brownfields program and the Indiana brownfields
 3 fund are valid and binding obligations of the authority and are
 4 enforceable in accordance with their terms and payable solely from
 5 the sources specified in the resolution authorizing their issuance,
 6 guarantee, and sale. The authority's revenue bonds, notes, and
 7 other obligations, including guarantees, do not create a liability or
 8 debt of the state.

9 **Sec. 13. (a)** The authority may deposit appropriations or other
 10 money received under this chapter (or IC 13-19-5, before its
 11 repeal) after June 30, 1999, into an account of the Indiana
 12 brownfields fund. The authority may use money deposited in the
 13 account to award financial assistance, including forgivable loans,
 14 to or for the benefit of a political subdivision, and awards of
 15 professional services to private individuals or entities, nonprofit
 16 entities, and political subdivisions for remediation or other
 17 brownfield redevelopment activities. The authority shall, in the
 18 manner provided by section 10 of this chapter, adopt guidelines to
 19 establish a political subdivision's eligibility for a forgivable loan.
 20 The guidelines may provide priority for projects based on the
 21 funding source.

22 **(b)** The financial assistance agreement for a project to be
 23 financed with a forgivable loan must specify economic development
 24 or redevelopment goals for the project that must be achieved
 25 before the political subdivision will be released from its obligation
 26 to repay the forgivable loan.

27 **Chapter 13. Flood Control Program**

28 **Sec. 1.** At the request of the department of natural resources,
 29 the authority shall carry out the program established under this
 30 chapter.

31 **Sec. 2. (a)** The flood control program is established.

32 **(b)** The flood control fund is created to provide money for loans
 33 and financial assistance to or for the benefit of participants under
 34 this chapter as part of the flood control program.

35 **(c)** The flood control fund must be used exclusively for the
 36 purposes of this chapter.

37 **(d)** The authority shall hold the flood control fund in the name
 38 of the authority. The authority shall administer the flood control
 39 fund in the manner provided by IC 5-1.2-4 and this chapter.

40 **(e)** Money in the flood control fund does not revert to the state
 41 general fund.

42 **Sec. 3.** Loans and financial assistance may be made from the



1 flood control fund to participants in the manner provided by
2 IC 5-1.2-4 and this chapter.

3 Sec. 4. The authority may make an approved loan or provide
4 other financial assistance from the flood control fund to a
5 participant. The money loaned or provided must be used by the
6 participant only for the purpose of undertaking approved
7 assistance.

8 Sec. 5. The authority may make an approved loan or provide
9 other financial assistance from the flood control fund to a
10 participant for an eligible activity only if:

11 (1) the eligible activity is authorized and approved by
12 ordinance or resolution enacted by the governing board of the
13 participant; and

14 (2) the assistance has been approved by the authority.

15 Sec. 6. (a) The authority shall authorize the making of a loan or
16 providing other financial assistance to a participant under this
17 chapter subject to the following:

18 (1) An application for the loan or other financial assistance to
19 undertake an eligible activity has been submitted by the
20 participant to the authority in the manner and form that the
21 authority directs. The application must state the following:

22 (A) The need for the requested eligible activity and the
23 need for the loan or other financial assistance for
24 undertaking the requested eligible activity.

25 (B) A detailed description of the requested eligible activity.

26 (C) An engineering estimate of the cost of the requested
27 eligible activity.

28 (D) The amount of the loan or other financial assistance
29 considered to be needed.

30 (E) Other information that is requested by the authority.

31 (2) By entering into a financial assistance agreement, the
32 authority determines that the eligible activity for which the
33 approved assistance is provided will preserve, protect, or
34 benefit the health, safety, and general welfare of the
35 inhabitants of the participant's jurisdiction and the citizens of
36 the state.

37 (3) The participant agrees and furnishes assurance,
38 satisfactory to the authority, that after completion, the
39 participant will operate and maintain the eligible activity
40 receiving approved assistance.

41 (b) This chapter does not require the authority to provide a loan
42 or other financial assistance to any participant to the extent it



1 determines that providing the loan or other financial assistance is
 2 not in the best interests of the flood control program and the
 3 authority.

4 **Sec. 7. (a) The participant:**

5 (1) shall undertake and complete work related to the eligible
 6 activity receiving approved assistance; and

7 (2) may provide labor, equipment, and materials from any
 8 source available to the participant related to the eligible
 9 activity receiving approved assistance.

10 **(b) The authority may do the following:**

11 (1) Evaluate the participation of the participant in the
 12 accomplishment of the eligible activity receiving approved
 13 assistance.

14 (2) Require a contribution by the participant toward the total
 15 cost of the eligible activity receiving approved assistance.

16 **(c) Any participation required under this section shall be**
 17 **supervised by the governing board of the participant.**

18 **Sec. 8. (a) The authority shall use a priority ranking system in**
 19 **making loans or providing other financial assistance from the flood**
 20 **control fund. The authority, in consultation with other state**
 21 **agencies the authority determines to be appropriate, shall develop**
 22 **the priority ranking system to achieve the purposes of this chapter.**

23 **(b) If an emergency demands immediate relief from actual or**
 24 **threatened flood damage, the application made by a participant for**
 25 **a loan or financial assistance may be considered regardless of a**
 26 **previous priority rating ascribed to the applicant.**

27 **Sec. 9. (a) The authority shall establish the interest rate or**
 28 **parameters for establishing the interest rate on each loan and other**
 29 **financial assistance made under this chapter, including parameters**
 30 **for establishing the amount of interest subsidies.**

31 **(b) The authority, in setting the interest rate or parameters for**
 32 **establishing the interest rate on each loan and other financial**
 33 **assistance, may take the following into account:**

34 (1) Credit risk.

35 (2) Environmental enforcement and protection.

36 (3) Affordability.

37 (4) Other fiscal factors the authority considers relevant,
 38 including the program's cost of flood control funds and
 39 whether the financial assistance provided to a particular
 40 participant is taxable or tax exempt under federal law.

41 **Based on the factors set forth in subdivisions (1) through (4), more**
 42 **than one (1) interest rate may be established and used for loans and**



1 other financial assistance to different participants or for different
2 loans and other financial assistance to the same participants.

3 **Sec. 10. A participant receiving a loan or other financial**
4 **assistance from the flood control fund shall enter into a financial**
5 **assistance agreement with the authority. A financial assistance**
6 **agreement related to the flood control program is a valid, binding,**
7 **and enforceable agreement on the participant.**

8 **Sec. 11. A loan or other financial assistance from the fund must**
9 **be accompanied by the following:**

10 (1) All papers and opinions required by the authority.

11 (2) Unless otherwise provided by the guidelines of the
12 authority, the following:

13 (A) An approving opinion of nationally recognized bond
14 counsel.

15 (B) A certification and guarantee of signatures.

16 (C) A certification that, as of the date of the loan or other
17 financial assistance:

18 (i) no litigation is pending challenging the validity of or
19 entry into the loan or other financial assistance or any
20 security for the loan or other financial assistance; or

21 (ii) if litigation is pending, the litigation will not have a
22 material adverse effect on the validity of the loan or
23 other financial assistance or any security for the loan or
24 other financial assistance.

25 (D) If litigation is pending, as an alternative to the
26 certification described in clause (C), an opinion of legal
27 counsel that the litigation will not have a material adverse
28 effect on the validity of the loan or other financial
29 assistance.

30 **Sec. 12. A participant receiving a loan or other financial**
31 **assistance under:**

32 (1) this chapter;

33 (2) IC 13-2-23 (before its repeal); or

34 (3) IC 14-28-5 (before its repeal);

35 may levy an annual tax on personal and real property located
36 within the geographical limits of the participant for flood control
37 purposes. The tax is in addition to any other tax authorized by law
38 to be levied for flood control purposes. The tax shall be levied at
39 the rate that will produce sufficient revenue to pay the annual
40 installment and interest on a loan or other financial assistance
41 made under this chapter, under IC 13-2-23 (before its repeal), or
42 under IC 14-28-5 (before its repeal). The tax at the rate authorized



1 in this section is in addition to the maximum annual rates
 2 prescribed by law.

3 **Sec. 13. If a participant fails to make a payment to the flood**
 4 **control fund or any other payment required by this chapter, under**
 5 **IC 13-2-23 (before its repeal), or under IC 14-28-5 (before its**
 6 **repeal) or is in any way indebted to the flood control fund for an**
 7 **amount incurred or accrued, the state may recover the amount**
 8 **through any of the following:**

9 (1) The state may, through the attorney general and on behalf
 10 of the authority, file a suit in the circuit or a superior court
 11 with jurisdiction in the county in which the participant is
 12 located to recover the amount that the participant owes the
 13 flood control fund.

14 (2) The auditor of state may, after a sixty (60) day written
 15 notice to the participant, withhold the payment and
 16 distribution of state money that the defaulting participant is
 17 entitled to receive under Indiana law.

18 (3) For a special taxing district, upon certification by the
 19 auditor of state after a sixty (60) day written notice to the
 20 special taxing district, the auditor of each county containing
 21 land within the special taxing district shall withhold collected
 22 tax money for the special taxing district and remit the
 23 withheld tax money to the auditor of state. The auditor of
 24 state shall make a payment to the flood control fund in the
 25 name of the special taxing district. Upon elimination of the
 26 delinquency payment, the auditor of state shall certify the fact
 27 to the auditors of the counties involved and any additional
 28 withheld tax money shall be released to the special taxing
 29 district.

30 **Chapter 14. Water Infrastructure Assistance Program**

31 **Sec. 1. At the request of the department of environmental**
 32 **management, the authority shall carry out the program established**
 33 **under this chapter.**

34 **Sec. 2. The water infrastructure assistance program is**
 35 **established.**

36 **Sec. 3. (a) The water infrastructure assistance fund is**
 37 **established as a source of money for grants, loans, and other**
 38 **financial assistance to, or for the benefit of, participants in the**
 39 **program.**

40 **(b) The fund shall be administered, held, and managed by the**
 41 **authority.**

42 **(c) The authority shall invest or cause to be invested all or a part**



1 of the fund, pursuant to the authority's investment policy, in a
 2 fiduciary account or accounts with a trustee that is a financial
 3 institution. Notwithstanding any other law, any investment under
 4 this subsection may be made by the trustee in accordance with one
 5 (1) or more trust agreements or indentures. A trust agreement or
 6 indenture referred to in this subsection may permit disbursements
 7 by the trustee to the authority, the department, the budget agency,
 8 a participant, or any other person as provided in the trust
 9 agreement or indenture.

10 (d) The fund consists of the following:

11 (1) Fees and other amounts received by the state, paid by the
 12 treasurer of state to the authority upon warrants issued by the
 13 auditor of state, and deposited in the fund.

14 (2) Appropriations to the fund from the general assembly.

15 (3) Grants and gifts of money to the fund.

16 (4) Proceeds of the sale of:

17 (A) gifts to the fund; and

18 (B) loans, evidences of other financial assistance, and other
 19 obligations evidencing the loans or other financial
 20 assistance, as provided in sections 5 through 9 of this
 21 chapter.

22 (5) Repayments of loans and other financial assistance from
 23 the fund, including interest, premiums, and penalties.

24 (e) Fees and other amounts received by the state pursuant to law
 25 concerning the funding of the water infrastructure assistance fund
 26 shall be paid monthly by the treasurer of state to the authority
 27 upon warrants issued by the auditor of state and deposited in the
 28 fund.

29 (f) The expenses of administering the fund shall be paid from
 30 money in the fund.

31 (g) Money in the fund at the end of a state fiscal year does not
 32 revert to the state general fund.

33 Sec. 4. Money in the water infrastructure assistance fund may
 34 be used to do the following:

35 (1) Provide grants, loans, and other financial assistance to or
 36 for the benefit of participants for:

37 (A) the planning, designing, acquisition, construction,
 38 renovation, improvement, or expansion of public water
 39 systems; and

40 (B) other activities necessary or convenient to complete the
 41 tasks referred to in clause (A) whether or not the other
 42 activities are permitted by the federal Clean Water Act or



- 1 the federal Safe Drinking Water Act.
- 2 **(2) Provide grants, loans, or other financial assistance to or**
- 3 **for the benefit of participants for:**
- 4 **(A) the planning, designing, acquisition, construction,**
- 5 **renovation, improvement, or expansion of wastewater or**
- 6 **storm water collection and treatment systems; and**
- 7 **(B) other activities necessary or convenient to complete the**
- 8 **tasks referred to in clause (A) whether or not the other**
- 9 **activities are permitted by the federal Clean Water Act or**
- 10 **the federal Safe Drinking Water Act.**
- 11 **(3) Provide grants to political subdivisions for tasks associated**
- 12 **with the development and preparation of:**
- 13 **(A) long term control plans;**
- 14 **(B) use attainability analyses; and**
- 15 **(C) storm water management programs.**
- 16 **(4) Undertake tasks associated with the development and**
- 17 **preparation of water, wastewater, and storm water**
- 18 **infrastructure and resource analyses.**
- 19 **(5) Conduct all other activities that are permitted by the**
- 20 **federal Clean Water Act or the federal Safe Drinking Water**
- 21 **Act.**

22 **Sec. 5. The authority shall adopt guidelines to establish criteria**
 23 **for the making of grants, loans, and other financial assistance from**
 24 **the water infrastructure assistance fund.**

25 **Sec. 6. (a) The making of grants and loans and the providing of**
 26 **other financial assistance from the water infrastructure assistance**
 27 **fund to or for the benefit of participants under this chapter are**
 28 **subject to the following conditions:**

- 29 **(1) A grant, loan, or other financial assistance may be used:**
- 30 **(A) for:**
- 31 **(i) the planning, designing, acquiring, constructing,**
- 32 **renovating, improving, or expanding of public water**
- 33 **systems; and**
- 34 **(ii) other activities necessary or convenient to the**
- 35 **completion of the tasks referred to in item (i);**
- 36 **(B) to:**
- 37 **(i) establish guaranties, reserves, or sinking funds,**
- 38 **including guaranties, reserves, or sinking funds to secure**
- 39 **and pay, in whole or in part, loans or other financial**
- 40 **assistance made from sources other than the fund**
- 41 **(including financial institutions), for a purpose permitted**
- 42 **by clause (A); or**



- 1 (ii) provide interest subsidies;
- 2 (C) to pay financing charges, including interest on the loan
- 3 during construction and for a reasonable period after the
- 4 completion of construction; or
- 5 (D) to pay the following:
- 6 (i) Consultant, advisory, and legal fees.
- 7 (ii) Other costs or expenses necessary or incident to the
- 8 making of grants, loans, or other financial assistance or
- 9 the administration of the fund or the program.
- 10 (2) A grant may be used for tasks associated with the
- 11 development and preparation of water infrastructure and
- 12 resource analyses.
- 13 (3) The authority must establish the terms and conditions that
- 14 the authority considers necessary or convenient to the making
- 15 of grants or loans or providing of other financial assistance
- 16 under this chapter.
- 17 (b) In addition to exercising its powers under subsection (a), the
- 18 authority may also make grants or loans or provide other financial
- 19 assistance from the fund to or for the benefit of a participant under
- 20 the following conditions:
- 21 (1) A grant, loan, or other financial assistance may be used:
- 22 (A) for planning, designing, acquiring, constructing,
- 23 renovating, improving, or expanding wastewater or storm
- 24 water collection and treatment systems, and other
- 25 activities necessary or convenient to the completion of
- 26 these tasks;
- 27 (B) to:
- 28 (i) establish guaranties, reserves, or sinking funds,
- 29 including guaranties, reserves, or sinking funds to secure
- 30 and pay, in whole or in part, loans or other financial
- 31 assistance made from sources other than the water
- 32 infrastructure assistance fund (including financial
- 33 institutions), for a purpose permitted by clause (A); or
- 34 (ii) provide interest subsidies;
- 35 (C) to pay financing charges, including interest on the loan
- 36 during construction and for a reasonable period after the
- 37 completion of construction; or
- 38 (D) to pay:
- 39 (i) consultant, advisory, and legal fees; and
- 40 (ii) other costs or expenses necessary or incident to the
- 41 grant, loan, or other financial assistance or the
- 42 administration of the water infrastructure assistance



- 1 **fund or the infrastructure program.**
- 2 **(2) A grant may be used for tasks associated with the**
- 3 **development and preparation of:**
- 4 **(A) long term control plans;**
- 5 **(B) use attainability analyses;**
- 6 **(C) storm water management programs; or**
- 7 **(D) other wastewater or storm water infrastructure and**
- 8 **resource analyses.**
- 9 **(3) The authority must establish the terms and conditions that**
- 10 **the authority considers necessary or convenient to the making**
- 11 **of grants or loans or providing of other financial assistance**
- 12 **under this chapter.**
- 13 **Sec. 7. (a) An application for a grant, loan, or other financial**
- 14 **assistance from the water infrastructure assistance fund must be**
- 15 **accompanied by all papers and opinions required by the authority.**
- 16 **(b) The authority may require that an application for a loan or**
- 17 **other financial assistance from the water infrastructure assistance**
- 18 **fund be accompanied by the following:**
- 19 **(1) A certification and guarantee of signatures.**
- 20 **(2) A certification that, as of the date of the loan or other**
- 21 **financial assistance, no litigation is pending challenging the**
- 22 **validity of or entry into:**
- 23 **(A) the grant, loan, or other financial assistance; or**
- 24 **(B) any security for the loan or other financial assistance.**
- 25 **(3) Any other certifications, agreements, security, or**
- 26 **requirements that the authority requests.**
- 27 **(4) An approving opinion of nationally recognized bond**
- 28 **counsel.**
- 29 **Sec. 8. A participant receiving a grant, loan, or other financial**
- 30 **assistance from the water infrastructure assistance fund shall enter**
- 31 **into a financial assistance agreement with the authority. A**
- 32 **financial assistance agreement entered into under this section is a**
- 33 **valid, binding, and enforceable agreement of the participant.**
- 34 **Sec. 9. (a) The authority may sell loans, evidences of other**
- 35 **financial assistance, and other obligations evidencing the loans or**
- 36 **other financial assistance from the water infrastructure assistance**
- 37 **fund:**
- 38 **(1) periodically;**
- 39 **(2) at any price; and**
- 40 **(3) on terms acceptable to the authority.**
- 41 **(b) Proceeds of sales under subsection (a) shall be deposited in:**
- 42 **(1) the water infrastructure assistance fund;**



- 1 (2) the wastewater revolving loan fund established by
- 2 IC 5-1.2-10;
- 3 (3) the drinking water revolving loan fund established by
- 4 IC 5-1.2-10; or
- 5 (4) the supplemental drinking water and wastewater
- 6 assistance fund established by IC 5-1.2-11;
- 7 at the direction of the authority.

8 **Sec. 10. (a)** The authority may pledge loans, evidences of other
 9 financial assistance, and other obligations evidencing the loans or
 10 other financial assistance from the water infrastructure assistance
 11 fund to secure other loans or financial assistance from:

- 12 (1) the water infrastructure assistance fund;
- 13 (2) the wastewater revolving loan fund established by
- 14 IC 5-1.2-10;
- 15 (3) the drinking water revolving loan fund established by
- 16 IC 5-1.2-10; or
- 17 (4) the supplemental drinking water and wastewater
- 18 assistance fund established by IC 5-1.2-11;

19 for the benefit of participants.

20 (b) The terms of a pledge under this section must be acceptable
 21 to the authority.

22 (c) Notwithstanding any other law, a pledge of property made
 23 by the authority under this section is binding from the time the
 24 pledge is made. Revenues, other money, or other property pledged
 25 and thereafter received are immediately subject to the lien of the
 26 pledge without any further act. The lien of a pledge is binding
 27 against all parties having claims of any kind in tort, contract, or
 28 otherwise against:

- 29 (1) the authority;
- 30 (2) the budget agency; or
- 31 (3) the water infrastructure assistance fund;

32 regardless of whether the parties have notice of any lien.

33 (d) A resolution, an indenture, or another instrument by which
 34 a pledge is created under this section does not have to be filed or
 35 recorded, except in the records of the authority.

36 (e) Action taken to:

- 37 (1) enforce a pledge made under this section; and
- 38 (2) realize the benefits of the pledge;

39 is limited to the property pledged.

40 (f) A pledge under this section does not create a liability or
 41 indebtedness of the state.

42 **Sec. 11.** Not later than August 1 of each odd-numbered year



1 through 2021, the public finance director shall prepare for the
 2 budget committee established by IC 4-12-1-3 and the legislative
 3 council a report that includes the following:

4 (1) Information concerning the financial assistance made
 5 available to participants from the water infrastructure
 6 assistance fund during the two (2) most recent fiscal years.

7 (2) Any other information requested by the budget committee
 8 and the legislative council.

9 The report must be submitted in an electronic format under
 10 IC 5-14-6.

11 **Chapter 15. Local Transportation Infrastructure Program**

12 **Sec. 1.** At the request of the Indiana department of
 13 transportation, the authority shall carry out this chapter.

14 **Sec. 2.** The authority may establish local transportation
 15 infrastructure revolving funds for the purpose of providing funds
 16 to participants for local transportation infrastructure projects. A
 17 separate fund may be established for any purpose listed in section
 18 8(a) of this chapter. Each fund shall be administered by the
 19 authority.

20 **Sec. 3. (a)** In administering a fund, the authority shall do the
 21 following:

22 (1) Monitor applicable infrastructure finance needs and the
 23 availability and cost of capital.

24 (2) Provide financial management of investment pools and
 25 financial services associated with loans.

26 (3) Explore and evaluate capital financing techniques.

27 (4) Explore methods for the state to enhance the credit quality
 28 of bond issues of participants at a minimum cost to the state.

29 (b) The Indiana department of transportation, the department
 30 of environmental management, and any other appropriate state
 31 agency, department, or instrumentality, in consultation with the
 32 authority, shall advise participants on methods for financing
 33 infrastructure.

34 (c) The authority shall annually present a report to the budget
 35 committee and the budget agency that describes the projects
 36 funded under this chapter during the year.

37 **Sec. 4.** Subject to the written procedures developed by the
 38 authority under section 7 of this chapter, the authority may do the
 39 following:

40 (1) Accept money from any agency, department, or
 41 instrumentality of the United States, the state, or another state
 42 for deposit in a fund.



- 1 **(2) Issue bonds and deposit proceeds in a fund.**
 2 **(3) Loan money to a participant.**
 3 **(4) Use the money in a fund:**
 4 **(A) for debt financing;**
 5 **(B) for grants;**
 6 **(C) for loan guarantees;**
 7 **(D) to manage leveraged loan programs for new**
 8 **construction of local transportation infrastructure projects**
 9 **through recapitalization of funds;**
 10 **(E) to refinance and purchase participant debt;**
 11 **(F) to guarantee participant loans;**
 12 **(G) to make bond and debt service reserve insurance**
 13 **payments;**
 14 **(H) to guarantee debt service reserve funds; and**
 15 **(I) to provide other financial assistance;**
 16 **to or for a participant.**
 17 **(5) Deposit loan repayments by a participant in a fund.**
 18 **Sec. 5. (a) If the authority uses bond proceeds to loan money to**
 19 **or purchase bonds of a participant, the authority may, by the**
 20 **resolution approving the bonds, provide that subsection (b) is**
 21 **applicable to the participant.**
 22 **(b) Notwithstanding any other law, to the extent that any**
 23 **department or agency of the state, including the treasurer of state,**
 24 **is the custodian of money payable to the participant (other than for**
 25 **goods or services provided by the participant), at any time after**
 26 **written notice to the department or agency head from the authority**
 27 **that the participant is in default on the payment of principal of or**
 28 **interest on the bonds then held or owned by or arising from an**
 29 **agreement with the authority, the department or agency shall**
 30 **withhold the payment of that money from that participant and pay**
 31 **over the money to the authority for the purpose of paying the**
 32 **principal of and interest on the related bonds. However, the**
 33 **withholding of payment from the participant and payment to the**
 34 **authority under this section must not adversely affect the validity**
 35 **of the bonds in default.**
 36 **Sec. 6. (a) If the authority finds that the local transportation**
 37 **infrastructure project:**
 38 **(1) will be of benefit to the health, safety, morals, and general**
 39 **welfare of the area where the local transportation**
 40 **infrastructure project is to be located; and**
 41 **(2) complies with the purposes and provisions of this chapter;**
 42 **the authority may by resolution approve the proposed financial**



1 assistance agreement.

2 (b) A financial assistance agreement approved under this section
 3 in connection with bonds must provide for payments in an amount
 4 sufficient to pay the principal of, premium (if any), and interest on
 5 the bonds issued for the financing of the local transportation
 6 infrastructure project. Interest payments for the anticipated
 7 construction period, plus a period of not more than one (1) year,
 8 may be funded in the bond issue. The term of a financial assistance
 9 agreement may not exceed twenty (20) years from the date of any
 10 bonds issued under the financial assistance agreement. However,
 11 a financial assistance agreement does not terminate after twenty
 12 (20) years if a default under that financial assistance agreement
 13 remains uncured, unless the termination is authorized by the terms
 14 of the financial assistance agreement.

15 (c) The authority may do any of the following:

16 (1) Establish eligibility standards for a participant and local
 17 transportation infrastructure projects, without complying
 18 with IC 4-22-2. However, these standards have the force of
 19 law if the standards are adopted after a public hearing for
 20 which notice has been given by publication under IC 5-3-1.

21 (2) Contract with any entity securing, in whole or in part, the
 22 payment of bonds issued under this chapter and authorizing
 23 the entity to approve the participant that can finance or
 24 refinance local transportation infrastructure projects with
 25 proceeds from the bond issue secured by that entity.

26 (3) Finance for participants in connection with their local
 27 transportation infrastructure projects:

28 (A) the cost of their local transportation infrastructure
 29 projects, including costs of planning, designing, feasibility
 30 studies, construction, expansion, renovation, or
 31 improvement;

32 (B) capitalized interest for the anticipated construction
 33 period plus one (1) year; and

34 (C) in the case of a program funded from the proceeds of
 35 taxable bonds or sources other than tax exempt bonds,
 36 working capital associated with the operation of such local
 37 transportation infrastructure projects;

38 in amounts determined to be appropriate by the authority.

39 (d) The authority may provide financial assistance to
 40 participants in the form of forgiveness of principal of a loan.

41 Sec. 7. (a) The authority shall establish a written procedure, in
 42 coordination with a state agency, department, or instrumentality



1 providing funds under section 4(1) of this chapter and for
 2 allocating money to projects described in section 8 of this chapter.

3 (b) The procedure established under this section must include
 4 at least the following:

5 (1) An application procedure to identify projects that qualify
 6 for funding.

7 (2) Criteria for establishing priority of projects.

8 (3) Procedures for selecting projects.

9 (4) Procedures for reporting the results of the selection
 10 process and the status of projects to the budget committee.

11 (c) To apply for a loan or other financial assistance from a fund,
 12 a participant must submit an application that contains at least the
 13 following information:

14 (1) A description of the infrastructure for which the loan or
 15 other financial assistance is sought.

16 (2) An estimate of the cost of constructing or improving the
 17 infrastructure, including the cost of designing the
 18 infrastructure.

19 (3) Any other information required by the authority in
 20 accordance with the procedure established under this section.

21 **Sec. 8. (a) A loan of proceeds of the authority's bonds or a loan**
 22 **or other financial assistance from a fund must be used by a**
 23 **participant to establish or improve highways, roads, streets,**
 24 **bridges, or any other public way, and public mass transportation**
 25 **systems.**

26 (b) Financial assistance from the fund must be made in
 27 conjunction with the adoption of a resolution by a participant that
 28 sets forth the participant's commitment of revenues or other
 29 money or property to the local transportation infrastructure
 30 project for which the financial assistance is made.

31 **Sec. 9. (a) A loan from a fund may:**

32 (1) not have a term of more than twenty (20) years;

33 (2) provide for amortization to begin not later than one (1)
 34 year after construction of the project ends; and

35 (3) have an interest rate established by the authority in
 36 accordance with subsection (c).

37 (b) Unless otherwise provided by the procedure established by
 38 the authority under section 7 of this chapter, a participant that
 39 receives financial assistance from the fund shall enter into a
 40 financial assistance agreement. A financial assistance agreement is
 41 a valid, binding, and enforceable agreement of the participant.

42 (c) The authority, in setting the interest rate or parameters for



1 establishing the interest rate on each loan, may take into account
2 the following:

- 3 (1) Credit risk.
- 4 (2) Affordability.
- 5 (3) Other fiscal factors the authority considers relevant,
- 6 including the program's cost of funds.

7 Based on the factors set forth in subdivisions (1) through (3), more
8 than one (1) interest rate may be established and used for loans to
9 different participants or for different loans or other financial
10 assistance to the same participants.

11 **Sec. 10. A loan or other financial assistance from the fund must
12 be accompanied by the following:**

- 13 (1) All papers and opinions required by the authority.
- 14 (2) Unless otherwise provided by the guidelines of the
15 authority, the following:

16 (A) An approving opinion of nationally recognized bond
17 counsel.

18 (B) A certification and guarantee of signatures.

19 (C) A certification that, as of the date of the loan or other
20 financial assistance:

- 21 (i) no litigation is pending challenging the validity of or
22 entry into the loan or other financial assistance or any
23 security for the loan or other financial assistance; or
- 24 (ii) if litigation is pending, the litigation will not have a
25 material adverse effect on the validity of the loan or
26 other financial assistance or any security for the loan or
27 other financial assistance.

28 (D) If litigation is pending, as an alternative to the
29 certification described in clause (C), an opinion of legal
30 counsel that the litigation will not have a material adverse
31 effect on the validity of the loan or other financial
32 assistance.

33 **Sec. 11. The expenses of administering a fund shall be paid from
34 money in that fund.**

35 **Sec. 12. The authority may invest money in funds as provided in
36 IC 5-1.2-4-1(a)(17) and IC 5-1.2-4-1(a)(41).**

37 **Sec. 13. Money in any fund at the end of a state fiscal year does
38 not revert to the state general fund.**

39 **Sec. 14. The following apply to bonds issued under this chapter
40 for local transportation infrastructure projects:**

- 41 (1) IC 5-1.2-1-2.
- 42 (2) IC 5-1.2-4-7 through IC 5-1.2-4-16.



- 1 (3) IC 5-1.2-4-19 through IC 5-1.2-4-20.
- 2 (4) IC 5-1.2-4-23.
- 3 (5) IC 5-1.2-4-24.
- 4 (6) IC 5-1.2-4-26 through IC 5-1.2-4-29.
- 5 **Sec. 15. The authority may fix and pay the compensation of**
- 6 **persons employed for purposes of this chapter from money:**
- 7 (1) available in a fund; or
- 8 (2) otherwise made available for the program.
- 9 **Sec. 16. A participant may pay fees charged by the authority to**
- 10 **carry out this chapter.**
- 11 **Chapter 16. Bond Ceiling**
- 12 **Sec. 1. The purpose of this chapter is to allocate the volume cap**
- 13 **under Section 146 of the Internal Revenue Code.**
- 14 **Sec. 2. (a) The allocation formula established by Section 146(b)**
- 15 **and Section 146(c) of the Internal Revenue Code for the volume**
- 16 **cap established for Indiana is supplanted under the authority**
- 17 **granted by Section 146(e) of the Internal Revenue Code.**
- 18 **(b) All amounts of the volume cap are annually allocated to the**
- 19 **state. Thereafter all amounts of the volume cap are assigned from**
- 20 **the state to other issuers as provided in this chapter.**
- 21 **Sec. 3. (a) The volume cap shall be allocated annually among**
- 22 **categories of bonds in accordance with section 4 of this chapter.**
- 23 **Those categories are as follows:**
- 24 (1) Bonds issued by the authority.
- 25 (2) Bonds issued by the IHCDA.
- 26 (3) Bonds issued by the ISMEL.
- 27 (4) Bonds issued by local units or any other issuers not
- 28 **specifically referred to in this section whose bonds are or may**
- 29 **become subject to the volume cap for projects described in:**
- 30 (A) Division A - Agricultural, Forestry, and Fishing;
- 31 (B) Division B - Mining;
- 32 (C) Division C - Construction;
- 33 (D) Division D - Manufacturing;
- 34 (E) Division E - Transportation; and
- 35 (F) Division F - Wholesale Trade;
- 36 **of the SIC Manual (or corresponding sector in the NAICS**
- 37 **Manual), and any projects described in Section 142(a)(3),**
- 38 **142(a)(4), 142(a)(5), 142(a)(6), 142(a)(8), 142(a)(9), or**
- 39 **142(a)(10) of the Internal Revenue Code.**
- 40 (5) Bonds issued by local units or any other issuers not
- 41 **specifically referred to in this section whose bonds are or may**
- 42 **become subject to the volume cap for projects described in:**



1 (A) Division G - Retail Trade;
 2 (B) Division H - Finance, Insurance, and Real Estate;
 3 (C) Division I - Services;
 4 (D) Division J - Public Administration; and
 5 (E) Division K - Miscellaneous;
 6 of the SIC Manual (or corresponding sector in the NAICS
 7 Manual), and any projects described in Section 142(a)(7) or
 8 144(c) of the Internal Revenue Code.

9 (b) For purposes of determining the SIC category of a facility,
 10 the determination shall be based upon the type of activity engaged
 11 in by the user of the facility within the facility in question, rather
 12 than upon the ultimate enterprise in which the developer or user
 13 of the facility is engaged.

14 Sec. 4. (a) On or before January 1 of each year, the authority
 15 shall determine the dollar amount of the volume cap for that year.

16 (b) Each year the volume cap shall be allocated among the
 17 categories specified in section 3 of this chapter as follows:

Type of Bonds	Percentage of Volume Cap
Bonds issued by the IFA	9%
Bonds issued by the IHCDA	28%
Bonds issued by the ISMEL	1%
Bonds issued by local units or other issuers under section 3(a)(4) of this chapter	42%
Bonds issued by local units or other issuers under section 3(a)(5) of this chapter	20%

29 (c) Except as provided in subsection (d), the amount allocated to
 30 a category represents the maximum amount of the volume cap that
 31 will be reserved for bonds included within that category.

32 (d) The authority may adopt a resolution to alter the allocations
 33 made by subsection (b) for a year if the authority determines that
 34 the change is necessary to allow maximum usage of the volume cap
 35 and to promote the health and well-being of the residents of
 36 Indiana by promoting the public purposes served by the bond
 37 categories then subject to the volume cap.

38 (e) The governor may, by executive order, establish for a year
 39 a different dollar amount for the volume cap, different bond
 40 categories, and different allocations among the bond categories
 41 than those set forth in or established under this section and section
 42 3 of this chapter if it becomes necessary to adopt a different volume



1 cap and bond category allocation system in order to allow
 2 maximum usage of the volume cap among the bond categories then
 3 subject to the volume cap and to promote the health, welfare, and
 4 well-being of the residents of Indiana by promoting the public
 5 purposes served by the bond categories then subject to the volume
 6 cap.

7 **Sec. 5.** The authority shall determine the allocation of any
 8 special volume cap in accordance with the federal act authorizing
 9 the special volume cap.

10 **Sec. 6. (a)** At 5 p.m. on December 20 of each year, all categories
 11 established by section 3 of this chapter are eliminated and any
 12 remaining amounts in those categories shall be placed in a single
 13 noncategorized state pool.

14 **(b)** After 5 p.m. on December 20 of each year, applications for
 15 a grant of volume cap shall be granted from the single
 16 noncategorized state pool. These applications shall be granted in
 17 the order of priority established in the guidelines adopted under
 18 section 7 of this chapter.

19 **Sec. 7. (a)** Notwithstanding IC 5-15-5.1, the authority has the
 20 sole authority to prescribe and furnish forms used in the
 21 administration of this chapter.

22 **(b)** The authority may adopt guidelines, without complying with
 23 IC 4-22-2, to govern the administration of this chapter. The
 24 guidelines may establish procedures, criteria, and conditions for
 25 each category of bonds identified in sections 3 and 4 of this chapter.
 26 However, the guidelines may not be inconsistent with the
 27 requirements of Section 146 of the Internal Revenue Code.

28 **Sec. 8.** To qualify for a grant of volume cap, an applicant must
 29 do the following:

- 30 (1) Apply for the grant in conformity with the procedures
- 31 established by the authority.
- 32 (2) Provide the information reasonably requested by the
- 33 authority to carry out this chapter.
- 34 (3) Meet the criteria established by the authority for the
- 35 category of bond for which the application is filed.
- 36 (4) Pay the fees established by the authority.

37 **Sec. 9.** The authority shall establish a written:

- 38 (1) application procedure for the granting of a portion of the
- 39 volume cap to an applicant; and
- 40 (2) procedure for filing carryforward elections.

41 **Sec. 10.** The authority shall establish written criteria for the
 42 selection of grant applications from among the applicants that



1 qualify for the grant under section 8 of this chapter. The criteria
2 must promote the health and well-being of the residents of Indiana
3 by promoting the public purposes served by each of the bond
4 categories subject to the volume cap.

5 Sec. 11. The authority may establish conditions for the
6 termination of a grant of volume cap. The conditions may include
7 requirements such as the following:

- 8 (1) That the amount of volume cap granted may not be
- 9 substantially higher than the amount of actual bonds issued.
- 10 (2) That the issuer issue bonds within the time specified by the
- 11 authority.

12 SECTION 26. IC 5-1.3 IS ADDED TO THE INDIANA CODE AS
13 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON
14 PASSAGE]:

15 **ARTICLE 1.3. LEASE FINANCING FOR RAIL PROJECTS**
16 **FOR THE NORTHWEST INDIANA REGIONAL**
17 **DEVELOPMENT AUTHORITY AND THE NORTHERN**
18 **INDIANA COMMUTER TRANSPORTATION DISTRICT**

19 **Chapter 1. Legislative Findings of Fact**

20 Sec. 1. (a) The general assembly makes the following findings of
21 fact:

- 22 (1) The communities in northwest Indiana face unique and
- 23 distinct challenges and opportunities related to transportation
- 24 and economic development that are different in scope and
- 25 type than those faced by other communities in Indiana.
- 26 (2) The general assembly routinely appropriates money to
- 27 communities throughout the state based on its policy
- 28 determinations with regard to local need, and has previously
- 29 authorized appropriations for the development and
- 30 improvement of the commuter rail system in northwest
- 31 Indiana.
- 32 (3) It is necessary to serve the public interest and to provide
- 33 for the public welfare by adopting this article for the purposes
- 34 described in this article.

35 (b) Any bonds, leases, or obligations entered into under this
36 article by the IFA do not constitute an indebtedness of the state
37 within the meaning or application of any constitutional or
38 statutory provision, prohibition, or limitation.

39 Sec. 2. This article provides an additional and alternative
40 method for doing the things authorized by this article, and is
41 supplemental and additional to powers conferred by other laws
42 and not in derogation of any other powers.



1 **Sec. 3. This article is necessary for the welfare of the state and**
 2 **its inhabitants and shall be liberally construed to effect the**
 3 **purposes of this article. If any other law or rule is inconsistent with**
 4 **this article, this article is controlling as to the financing,**
 5 **acquisition, or construction undertaken under this article.**

6 **Sec. 4. This article contains full and complete authorization for**
 7 **leases between the IFA and:**

- 8 **(1) the NWIRDA;**
 9 **(2) the NICTD;**
 10 **(3) a unit;**
 11 **(4) a political subdivision; or**
 12 **(5) a governmental entity;**

13 **for a rail project. No law, procedure, proceedings, publications,**
 14 **notices, consents, approvals, orders, or acts by the IFA, the**
 15 **NWIRDA, or the NICTD or any other officer, department, agency,**
 16 **or instrumentality of the state, any unit, political subdivision, or**
 17 **governmental entity is required to enter into any lease, except as**
 18 **prescribed in this article.**

19 **Sec. 5. (a) This article:**

- 20 **(1) applies to:**
 21 **(A) the IFA;**
 22 **(B) the NWIRDA; and**
 23 **(C) the NICTD;**
 24 **only when acting for the purposes set forth in this article; and**
 25 **(2) does not apply to:**
 26 **(A) the IFA;**
 27 **(B) the NWIRDA; or**
 28 **(C) the NICTD;**

29 **when acting under any other statute for any other purpose.**

30 **(b) This article does not apply to a transit development district**
 31 **established by the NWIRDA under IC 36-7.5-4.5.**

32 **Sec. 6. When acting pursuant to powers specifically granted in**
 33 **this article, the IFA, the NWIRDA, and the NICTD are not**
 34 **required to comply with any other state statute or law unless it is**
 35 **required by this article.**

36 **Sec. 7. The IFA, the NWIRDA, and the NICTD may do all**
 37 **things necessary or proper to carry out this article.**

38 **Sec. 8. (a) An action to contest the validity of any action taken**
 39 **under this article may not be brought after the fifteenth day**
 40 **following the date the resolution of:**

- 41 **(1) the IFA;**
 42 **(2) the NWIRDA; or**



1 **(3) the NICTD;**
2 **is adopted approving the action taken, provided the applicable**
3 **statutory procedures have been completed.**
4 **(b) If an action challenging an action taken under this article is**
5 **not brought within the time prescribed by this section, the lease,**
6 **contract, bonds, notes, obligations, or other action taken shall be**
7 **conclusively presumed to be fully authorized and valid under the**
8 **laws of the state and any person is estopped from further**
9 **questioning the authorization, validity, execution, delivery, or**
10 **issuance of the lease, contract, bonds, notes, obligations, or other**
11 **action.**

12 **Chapter 2. Definitions**
13 **Sec. 1. The definitions in this chapter apply throughout this**
14 **article.**
15 **Sec. 2. "Bonds" refers to bonds of:**
16 **(1) the IFA issued under IC 5-1.3-6; or**
17 **(2) the NWIRDA issued under IC 5-1.3-6.**
18 **Sec. 3. "Capitalized interest" means interest cost on bonds or**
19 **notes before and during the period of construction of the rail**
20 **project for which the bonds or notes were issued, and for a period**
21 **not to exceed two (2) years after completion of construction.**
22 **Sec. 4. "Construction" means constructing, acquiring,**
23 **renovating, rehabilitating, reconstructing, improving, extending,**
24 **and equipping a rail project.**
25 **Sec. 5. "Costs" as applied to any rail project, includes any item**
26 **or cost incurred in the construction of a rail project, including:**
27 **(1) the cost of construction;**
28 **(2) the cost of acquisition of all land, rights-of-way, property,**
29 **rights, easements, and any other legal or equitable interests**
30 **acquired by the IFA for the construction, including the cost of**
31 **any relocations incident to the acquisition;**
32 **(3) the cost of demolishing or removing any buildings,**
33 **structures, or improvements on property acquired by the IFA,**
34 **including the cost of:**
35 **(A) acquiring any property to which the buildings,**
36 **structures, or improvements may be moved; or**
37 **(B) acquiring any property that may be exchanged for**
38 **property acquired by the IFA, the NWIRDA, or the**
39 **NICTD;**
40 **(4) financing charges;**
41 **(5) costs of issuance of bonds or notes, including costs of credit**
42 **enhancement, such as bond or note insurance;**



- 1 **(6) remarketing or conversion fees;**
 2 **(7) discounts resulting from the purchase price of the bonds**
 3 **or notes being less than par;**
 4 **(8) capitalized interest;**
 5 **(9) the cost of funding any reserves to secure the payment of**
 6 **bonds or notes;**
 7 **(10) engineering, financial, trust and legal expenses, costs of**
 8 **plans, specifications, surveys, estimates, and any necessary**
 9 **feasibility studies;**
 10 **(11) administrative expenses of the IFA, the NWIRDA, or the**
 11 **NICTD relating to any rail project financed by bonds or**
 12 **notes;**
 13 **(12) refunding any interim financing entered into by the IFA,**
 14 **the NWIRDA, or the NICTD;**
 15 **(13) reimbursement of the IFA, the NWIRDA, or the NICTD**
 16 **for:**
 17 **(A) any cost, obligation, or expense incurred by the IFA, the**
 18 **NWIRDA, or the NICTD relating to a rail project;**
 19 **(B) advances relating to a rail project from the IFA to the**
 20 **NWIRDA or the NICTD or from the NWIRDA to the**
 21 **NICTD for surveys, borings, preparation of plans and**
 22 **specifications, or engineering services; or**
 23 **(C) any other cost of construction incurred by the NWIRDA**
 24 **or the NICTD that was paid from advances;**
 25 **(14) other expenses necessary or incident to determining the**
 26 **feasibility or practicability of constructing, operating, and**
 27 **maintaining any rail project; and**
 28 **(15) other expenses the IFA finds necessary or incident to the**
 29 **construction of the rail project, the financing of the**
 30 **construction, and the placing of the rail project in operation.**
 31 **Sec. 6. "IFA" refers to the Indiana finance authority established**
 32 **by IC 5-1.2-3.**
 33 **Sec. 7. "NICTD" refers to the northern Indiana commuter**
 34 **transportation district established under IC 8-5-15.**
 35 **Sec. 8. "Notes" refers to notes of the IFA or the NWIRDA issued**
 36 **under IC 5-1.3-6 and includes any evidences of indebtedness of the**
 37 **IFA or the NWIRDA but does not include bonds.**
 38 **Sec. 9. "NWIRDA" refers to the northwest Indiana regional**
 39 **development authority established under IC 36-7.5-2-1.**
 40 **Sec. 10. "Obligations" means bonds, loan contracts, notes, bond**
 41 **anticipation notes, commercial paper, leases, lease-purchases,**
 42 **installment purchases, certificates of participation in agreements**



1 or programs, other evidences of indebtedness, or other agreements
2 or purchasing programs.

3 Sec. 11. "Person" means any individual, entity, or organization
4 of any kind.

5 Sec. 12. "Political subdivision" has the meaning set forth in
6 IC 36-1-2-13, but does not include a township.

7 Sec. 13. "Property owner" means all individuals,
8 copartnerships, associations, governmental units or entities,
9 corporations, limited liability companies, or other legal entities
10 having any title or interest in any land, rights-of-way, property,
11 rights, easements, or legal or equitable interests that may be
12 acquired by the IFA, the NWIRDA, or the NICTD. The term
13 includes the NWIRDA, the NICTD, a unit, or a political
14 subdivision.

15 Sec. 14. "Rail project" refers only to a rail project as defined in
16 IC 36-7.5-1-13.5 and includes all land, rights-of-way, property,
17 rights, easements, materials, and legal or equitable interests that
18 may be acquired by the IFA, the NWIRDA, or the NICTD for the
19 construction of the rail project. The term includes, but is not
20 limited to, any construction, equipment, rail track, embankments,
21 rights of way, sidings, passenger stations or platforms, parking
22 lots, overpasses, railroad bridges, ancillary structures and related
23 safety systems equipment and technology, or other item that the
24 IFA, the NWIRDA, or the NICTD considers necessary or desirable
25 for the construction and operation of a rail project under this
26 article.

27 Sec. 15. "Unit" has the meaning set forth in IC 36-1-2-23, but
28 does not include a township.

29 Chapter 3. General Provisions

30 Sec. 1. (a) The IFA may contract with the NWIRDA or the
31 NICTD for construction, ownership, maintenance, and operation
32 of rail projects.

33 (b) The NWIRDA may contract with the NICTD for
34 construction, ownership, maintenance, and operation of rail
35 projects.

36 Sec. 2. The IFA and the NWIRDA may finance rail projects in
37 accordance with this article.

38 Sec. 3. (a) The IFA may exercise any powers provided under this
39 article in participation or cooperation with any governmental
40 entity, including the NWIRDA, the NICTD, a unit, or a political
41 subdivision, and enter into any contracts to facilitate that
42 participation or cooperation.



1 (b) The NWIRDA may exercise any powers provided under this
2 article in participation or cooperation with any governmental
3 entity, including the IFA, the NICTD, a unit, or a political
4 subdivision, and enter into any contracts to facilitate that
5 participation or cooperation.

6 Sec. 4. (a) The IFA may pay or reimburse the cost of
7 construction of a rail project or of owning or leasing a rail project
8 from any money available to the IFA under this article or any
9 other law.

10 (b) The NWIRDA may pay or reimburse the cost of
11 construction of a rail project or of owning or leasing a rail project
12 from any money available to the NWIRDA under this article or
13 any other law.

14 (c) The NICTD may pay or reimburse the cost of construction
15 of a rail project or of owning or leasing a rail project from any
16 funds available to the NICTD under this article or any other law.

17 Sec. 5. The IFA, the NWIRDA, or the NICTD may sell, transfer,
18 lease as lessor, or otherwise convey any land, rights-of-way,
19 property, rights, easements, or legal or equitable interest the IFA,
20 the NWIRDA, or the NICTD considers necessary or convenient for
21 carrying out the provisions of this article, including disposal of
22 unused or surplus property.

23 Sec. 6. The IFA, the NWIRDA, or the NICTD may acquire by
24 purchase, whenever the IFA, the NWIRDA, or the NICTD
25 considers a purchase expedient, or lease as lessee, any land,
26 rights-of-way, property, rights, easements, or other legal or
27 equitable interests as the IFA, the NWIRDA, or the NICTD
28 considers necessary or convenient for the construction and
29 operation of any rail project. A purchase or lease under this section
30 shall be made upon the terms and at the price agreed upon between
31 the purchaser or lessee, the IFA, and the property owner. The
32 purchaser shall take title to the property, unless the purchaser is
33 the IFA, in which case the IFA shall take title to the property in the
34 name of the state.

35 Sec. 7. The IFA, the NWIRDA, or the NICTD (each entity
36 referred to in this section as the "contracting party") may make
37 and enter into all contracts and agreements necessary or incidental
38 to the performance of its duties and the execution of its powers
39 under this article. These contracts or agreements are not subject
40 to any approvals other than the approval of the contracting party
41 and may be for any term of years and contain any terms that are
42 considered reasonable by the contracting party.



1 **Sec. 8.** The IFA, the NWIRDA, or the NICTD (each entity
 2 referred to in this section as the "grantee") may receive and accept
 3 from any federal or state agency grants for or in aid of the
 4 construction of any rail project and repay any grant to the grantee
 5 from a federal agency if the repayment is necessary to free the
 6 grantee from restrictions that the grantee determines to be in the
 7 public interest to remove, or otherwise required by the terms of the
 8 grant. Any repayment under this section shall be made from funds
 9 available to the grantee at the time the repayment is required and
 10 shall be made in a way that does not impair any contract between
 11 the grantee and the owners of its bonds or notes or any lease of the
 12 grantee.

13 **Sec. 9.** The IFA, the NWIRDA, or the NICTD may accept gifts,
 14 devises, bequests, grants, appropriations, revenue sharing, other
 15 financing and assistance, and any other aid from any source and
 16 agree to and comply with conditions attached to the aid.

17 **Sec. 10.** The IFA, the NWIRDA, or the NICTD may accept the
 18 transfer of any rail project to it.

19 **Sec. 11.** The IFA, the NWIRDA, or the NICTD may:

20 (1) in the manner provided by IC 32-24; or

21 (2) as otherwise required for a railroad federal aid project
 22 funded in any part under 49 U.S.C. 103, et seq.;

23 acquire by appropriation any land, rights-of-way, property, rights,
 24 easements, or other legal or equitable interests necessary or
 25 convenient for the construction or the efficient operation of any
 26 rail project. However, compensation for the property taken shall
 27 first be made in money as provided by IC 32-24 or as otherwise
 28 required for a railroad federal aid project funded in any part
 29 under 49 U.S.C. 103, et seq.

30 **Sec. 12. (a)** The state, acting through the governor, may convey,
 31 transfer, lease, or sell, with or without consideration, real property
 32 of any nature (including buildings, structures, improvements, land,
 33 rights-of-way, easements, and legal or equitable interests), title to
 34 which is held in the name of the state, to the IFA, without being
 35 required to advertise or solicit bids or proposals, in order to
 36 accomplish the governmental purposes of this article.

37 **(b)** A unit, acting through the unit's executive, may convey,
 38 transfer, lease, or sell, with or without consideration, real property
 39 of any nature (including buildings, structures, improvements, land,
 40 rights-of-way, easements, and legal or equitable interests), title to
 41 which is held in the name of the unit, to the IFA, without being
 42 required to advertise or solicit bids or proposals in order to



1 accomplish the governmental purposes of this article.

2 (c) A political subdivision, acting through the political
3 subdivision's legislative body, may convey, transfer, lease, or sell,
4 with or without consideration, real property of any nature
5 (including buildings, structures, improvements, land,
6 rights-of-way, easements, and legal or equitable interests), title to
7 which is held in the name of the political subdivision, to the IFA,
8 without being required to advertise or solicit bids or proposals in
9 order to accomplish the governmental purposes of this article.

10 (d) The NICTD, acting through its board of trustees, may
11 convey, transfer, lease, or sell, with or without consideration, real
12 property of any nature (including buildings, structures,
13 improvements, land, rights-of-way, easements, and legal or
14 equitable interests), title to which is held in the name of the
15 NICTD, to the IFA, without being required to advertise or solicit
16 bids or proposals in order to accomplish the governmental
17 purposes of this article.

18 (e) The NWIRDA, acting through its board, may convey,
19 transfer, lease, or sell, with or without consideration, real property
20 of any nature (including buildings, structures, improvements, land,
21 rights-of-way, easements, and legal or equitable interests), title to
22 which is held in the name of the NWIRDA, to the IFA, without
23 being required to advertise or solicit bids or proposals in order to
24 accomplish the governmental purposes of this article.

25 **Sec. 13. All property of the IFA, the NWIRDA, or the NICTD**
26 **constituting a rail project is public property devoted to an essential**
27 **public and governmental function and purpose and is exempt from**
28 **all taxes and special assessments of the state or any political**
29 **subdivision.**

30 **Sec. 14. (a) Notwithstanding IC 36-7.5-2-8, the NWIRDA and**
31 **the NICTD may utilize and may comply with the provisions of:**

32 (1) IC 5-16;

33 (2) IC 5-23;

34 (3) IC 5-30;

35 (4) IC 5-32;

36 (5) IC 36-1-12; or

37 (6) any combination of the statutes listed in subdivisions (1)
38 through (5) as determined by the NWIRDA or the NICTD,
39 whichever is appropriate;

40 when financing, acquiring and constructing a rail project under
41 this article.

42 (b) The NWIRDA and the NICTD may contract to finance,



1 acquire, and construct a rail project in accordance with this
2 section.

3 **Chapter 4. Contracts**

4 **Sec. 1. (a)** The IFA, the NWIRDA, and the NICTD are
5 responsible for the construction, leasing, and ownership of rail
6 projects. With respect to and for the construction of each rail
7 project, the IFA and the NWIRDA or the NICTD may enter into
8 a contract for the purposes set forth in this chapter. The IFA, the
9 NWIRDA, and the NICTD may enter into a separate contract for
10 each rail project or a master contract for several rail projects.

11 **(b)** The IFA, the NWIRDA, and the NICTD have all the powers
12 necessary and incidental to carry out the terms and conditions of
13 contracts under this chapter.

14 **Sec. 2.** A contract may include the following:

15 **(1)** Provisions for payment by the IFA to the NWIRDA and
16 the NICTD of all costs incurred by the NWIRDA or the
17 NICTD in the performance of the contracts, including all costs
18 of construction, salaries, wages, and associated costs of
19 NWIRDA or NICTD personnel attributable to performance
20 of the contract.

21 **(2)** Other terms and conditions that the IFA, the NWIRDA,
22 and the NICTD consider appropriate.

23 **Chapter 5. Leases**

24 **Sec. 1. (a)** In addition to its other powers, the IFA may enter
25 into a lease or leases with the NWIRDA under this chapter for any
26 or all of the purposes set forth in this article.

27 **(b)** The IFA and the NWIRDA have all the powers necessary
28 and incidental to carry out the terms and conditions of leases under
29 this chapter.

30 **(c)** If the IFA and the NWIRDA decide to enter into a lease
31 under this chapter, the IFA and the NWIRDA may enter into a
32 separate lease for each rail project or may enter into one (1) or
33 more master leases for several rail projects.

34 **Sec. 2. (a)** If lease rental payments under a lease from the IFA
35 to the NWIRDA are payable in whole or in part from state
36 appropriations, a lease entered into under this chapter must
37 include the following:

38 **(1)** A statement that the term of the lease is for a period
39 coextensive with the biennium used for state budgetary and
40 appropriation purposes with a fractional period when the
41 lease begins, if necessary.

42 **(2)** A statement that the term of the lease may be extended



1 from biennium to biennium, with the extensions not to exceed
2 a cumulative lease term of forty (40) years, unless either the
3 IFA or the NWIRDA gives notice of no extension at least six
4 (6) months before the end of a biennium, in which event the
5 lease expires at the end of the biennium in which the notice is
6 given.

7 (3) A provision stating plainly that the lease does not
8 constitute an indebtedness of the state within the meaning or
9 application of any constitutional or statutory provision,
10 prohibition, or limitation, and if lease rental payments are
11 payable in whole or in part from state appropriations, that
12 lease rentals are payable by the NWIRDA solely from biennial
13 appropriations, and that the lease is for the actual use or
14 availability for use of rail projects provided by the IFA, with
15 payment commencing no earlier than the time the use or
16 availability or partial use or availability commences.

17 (4) Provisions requiring the NWIRDA to pay rent at times
18 and in amounts sufficient to pay in full:

19 (A) the debt service payable under the terms of any bonds
20 or notes issued by the IFA and outstanding with respect to
21 any rail project, including any required additions to
22 reserves for the bonds or notes maintained by the IFA; and

23 (B) additional rent as provided by the lease.

24 (5) Provisions requiring the NWIRDA to operate and
25 maintain the rail project or rail projects or to cause the rail
26 project or rail projects to be operated and maintained during
27 the term of the lease.

28 (6) A provision in each master lease for two (2) or more rail
29 projects requiring that each rail project added to the master
30 lease shall be covered by a supplemental lease describing the
31 particular rail project, stating the additional rent payable,
32 and providing that all lease covenants, including the
33 obligation to pay the original and additional rent under any
34 supplement, shall be unitary and include all rail projects
35 covered, whether by the master lease or a supplemental lease.

36 (7) Provisions permitting the NWIRDA to pay lease rentals
37 solely from available revenues from the fund established
38 under IC 36-7.5-4-1 without providing for consideration of
39 state appropriations.

40 (b) A lease entered into under this chapter may contain other
41 terms and conditions that the IFA and the NWIRDA consider
42 appropriate.



1 (c) If lease rental payments under a lease from the IFA to the
 2 NWIRDA are payable in whole or in part from state
 3 appropriations, the NWIRDA shall request an appropriation for
 4 payment of lease rentals on any lease entered into under this
 5 chapter in writing at a time sufficiently in advance of the date for
 6 payment of the lease rentals.

7 (d) If lease rental payments under a lease from the IFA to the
 8 NWIRDA are payable in whole or in part from state
 9 appropriations, and the NWIRDA fails at any time to pay to the
 10 IFA when due any lease rentals on any lease under this section, the
 11 chairperson of the IFA shall immediately:

12 (1) report the unpaid amount in writing to the governor and,
 13 in an electronic format under IC 5-14-6, to the general
 14 assembly; and

15 (2) notify the treasurer of state that the NWIRDA has failed
 16 to pay lease rentals when due.

17 The treasurer of state, upon being notified of the failure, shall pay
 18 the unpaid lease rental obligations that are due from money in the
 19 possession of the state that would otherwise be available for
 20 distribution to the NWIRDA under any other law, deducting the
 21 payment from the amount distributed.

22 (e) A lease entered into under this chapter must state the term
 23 of the lease, which may not exceed forty (40) years.

24 **Sec. 3.** The NWIRDA may sell, transfer, or convey by any means
 25 any rail project to the IFA through negotiation of a lease. The
 26 NWIRDA may lease any existing rail project system or property
 27 under its control to the IFA for construction of a rail project. The
 28 rail project may be leased back to the NWIRDA.

29 **Sec. 4.** The NWIRDA shall pay lease rentals for leases entered
 30 into under this chapter and securing bonds issued under IC 5-1.3-6
 31 from revenues deposited in a separate fund established under
 32 36-7.5-4-1.

33 **Sec. 5. (a)** Before a lease may be entered into by the NWIRDA
 34 under this chapter, the NWIRDA must find that the lease rental
 35 provided for is fair and reasonable.

36 (b) A lease of a rail project from the IFA to the NWIRDA:

37 (1) may not have a term exceeding forty (40) years;

38 (2) may not require payment of lease rentals for a newly
 39 constructed rail project or for improvements to an existing
 40 rail project until the rail project or improvements to the rail
 41 project have been completed and are ready for availability or
 42 use or for partial availability or use;



- 1 **(3) may contain provisions:**
- 2 **(A) allowing the NWIRDA to continue to operate an**
- 3 **existing rail project or cause an existing rail project to be**
- 4 **operated until completion of the acquisition, improvements,**
- 5 **reconstruction, or renovation of that rail project or any**
- 6 **other rail project; and**
- 7 **(B) requiring payment of lease rentals for land, for an**
- 8 **existing rail project being used, reconstructed, or**
- 9 **renovated, or for any other existing rail project;**
- 10 **(4) may contain an option to renew the lease for the same or**
- 11 **shorter term on the conditions provided in the lease;**
- 12 **(5) must contain an option for the NWIRDA to purchase the**
- 13 **rail project upon the terms stated in the lease during the term**
- 14 **of the lease for a price equal to the amount required to pay all**
- 15 **indebtedness incurred on account of the rail project, including**
- 16 **indebtedness incurred for the refunding of that indebtedness;**
- 17 **(6) may be entered into before acquisition or construction of**
- 18 **a rail project;**
- 19 **(7) may provide that the NWIRDA must agree to:**
- 20 **(A) pay or cause to be paid, any taxes and assessments on**
- 21 **the rail project;**
- 22 **(B) maintain or cause to be maintained, insurance on the**
- 23 **rail project for the benefit of the NWIRDA;**
- 24 **(C) assume or cause to be assumed, responsibility for**
- 25 **utilities, repairs, alterations, and any costs of operation; and**
- 26 **(D) pay or cause to be paid, a deposit or series of deposits to**
- 27 **the IFA from any funds legally available to the NWIRDA**
- 28 **before the commencement of the lease to secure the**
- 29 **performance of the NWIRDA's obligations under the lease;**
- 30 **(8) must provide that the lease rental payments by the**
- 31 **NWIRDA shall be made from the fund established under**
- 32 **IC 36-7.5-4-1 and may provide that the lease rental payments**
- 33 **by the NWIRDA shall be made from:**
- 34 **(A) net revenues of the rail project;**
- 35 **(B) any other funds available to the NWIRDA; or**
- 36 **(C) both sources described in clauses (A) and (B);**
- 37 **(9) must provide that the IFA is not responsible for the**
- 38 **operation and maintenance of the rail project or rail projects**
- 39 **upon completion of construction; and**
- 40 **(10) does not create a debt of the:**
- 41 **(A) IFA;**
- 42 **(B) NWIRDA; or**



- 1 (C) state;
 2 within the meaning or application of any constitutional or
 3 statutory provision, prohibition, or limitation.
- 4 **Sec. 6.** This chapter contains full and complete authority for
 5 leases between the IFA and the NWIRDA. No law, procedure,
 6 proceedings, publications, notices, consents, approvals, orders, or
 7 acts by the IFA or the NWIRDA or any other officer, department,
 8 agency, or instrumentality of the state or any political subdivision
 9 is required to enter into any lease, except as prescribed in this
 10 article.
- 11 **Sec. 7. (a)** The NWIRDA may lease for a nominal lease rental,
 12 or sell to the IFA, one (1) or more rail projects or portions of a rail
 13 project or land upon which a rail project is located or is to be
 14 constructed.
- 15 **(b)** Any lease of all or a portion of a rail project by the
 16 NWIRDA to the IFA must be for a term equal to the term of the
 17 lease of that rail project back to the NWIRDA.
- 18 **(c)** The NWIRDA may sell property to the IFA for the amount
 19 the NWIRDA determines to be in the best interest of the NWIRDA.
 20 The IFA may pay that amount from the proceeds of bonds of the
 21 IFA.
- 22 **Sec. 8.** If the NWIRDA exercises its option to purchase leased
 23 property, the NWIRDA may issue its bonds as authorized by
 24 statute.
- 25 **Sec. 9.** This chapter contains full and complete authority for
 26 ground, operating, or maintenance leases of any kind between the
 27 NWIRDA and the NICTD. No law, procedure, proceedings,
 28 publications, notices, consents, approvals, orders, or acts by the
 29 NWIRDA or the NICTD or any other officer, department, agency,
 30 or instrumentality of the state or any political subdivision is
 31 required to enter into any lease, except as prescribed in this article.
- 32 **Sec. 10.** The IFA shall certify to the NWIRDA and the NICTD
 33 that all bonds, notes issued, and leases or other obligations entered
 34 into with respect to the rail projects have been paid to their final
 35 maturity. At that time, the rail project or rail projects shall be
 36 transferred to the NICTD and neither the IFA or the NWIRDA
 37 shall have any further obligation with respect to the rail project or
 38 rail projects.
- 39 **Chapter 6. Bonds and Notes**
- 40 **Sec. 1. (a)** Except as provided in sections 2 and 6 of this chapter,
 41 the IFA may, by resolution, issue and sell bonds or notes of the IFA
 42 to provide funding to carry out the provisions of this article with



1 respect to the construction of a rail project or rail projects or the
 2 refunding of any bonds or notes, together with any reasonable costs
 3 associated with a refunding.

4 (b) Except as provided in sections 2 and 6 of this chapter, the
 5 NWIRDA may, by resolution, issue and sell bonds or notes of the
 6 NWIRDA to provide funding to carry out the provisions of this
 7 article with respect to the construction of a rail project or rail
 8 projects or the refunding of any bonds or notes, together with any
 9 reasonable costs associated with a refunding.

10 Sec. 2. (a) Before the issuance of bonds or notes, the IFA must
 11 receive the approval of the budget agency.

12 (b) Before the issuance of bonds or notes, the IFA or the
 13 NWIRDA shall identify the rail project or rail projects to be
 14 financed from the proceeds of the bonds or notes.

15 Sec. 3. (a) Before issuing a series of bonds or notes, the IFA or
 16 the NWIRDA shall publish a notice of its determination to issue the
 17 bonds or notes. The notice shall be published one (1) time in two (2)
 18 newspapers published and of general circulation in the area where
 19 the rail project is located.

20 (b) An action to contest the validity of:

21 (1) any contract related to the bonds or notes entered into by
 22 or among the IFA, the NWIRDA, or the NICTD before the
 23 bonds or notes are issued;

24 (2) any lease related to the bonds or notes entered into by or
 25 among the IFA, the NWIRDA, or the NICTD before the bonds
 26 or notes are issued to secure a series of bonds or notes; or

27 (3) a series of bonds or notes issued by the IFA or the
 28 NWIRDA;

29 may not be brought after the fifteenth day following publication of
 30 the notice required by subsection (a).

31 (c) If a lease or contract is entered into under this chapter after
 32 bonds or notes relating to the lease or contract are issued, the IFA
 33 may publish notice of execution of the lease or contract as set forth
 34 in subsection (a). An action to contest the validity of such a lease or
 35 contract may not be brought after the fifteenth day following
 36 publication of the notice.

37 Sec. 4. (a) The bonds or notes of the IFA:

38 (1) shall be executed by the manual or facsimile signature of
 39 the chairperson or vice chairperson of the IFA;

40 (2) shall be attested by the manual or facsimile signature of
 41 the public finance director for the IFA;

42 (3) shall be imprinted or impressed with the seal of the IFA by



1 any means;
2 (4) may be authenticated by a trustee, registrar, or paying
3 agent; and
4 (5) constitute valid and binding obligations of the IFA, even if
5 the chairperson, vice chairperson, or public finance director
6 whose manual or facsimile signature appears on the bonds or
7 notes no longer holds that office.
8 (b) The bonds or notes of the NWIRDA:
9 (1) shall be executed by the manual or facsimile signature of
10 the chairperson or vice chairperson of the NWIRDA;
11 (2) shall be attested by the manual or facsimile signature of
12 the secretary-treasurer of the NWIRDA;
13 (3) may be authenticated by a trustee, registrar, or paying
14 agent; and
15 (4) constitute valid and binding obligations of the NWIRDA,
16 even if the chairperson, vice chairperson, or
17 secretary-treasurer whose manual or facsimile signature
18 appears on the bonds or notes no longer holds that office.
19 Sec. 5. The bonds or notes, when issued, have all the qualities of
20 negotiable instruments, subject to provisions for registration,
21 under IC 26 and are incontestable in the hands of a bona fide
22 purchaser or owner of the bonds or notes for value.
23 Sec. 6. (a) The bonds or notes may be sold by the IFA or the
24 NWIRDA at a public or a negotiated sale at a time or times
25 determined by the IFA or the NWIRDA and at a premium or
26 discount as determined by the IFA or NWIRDA. In determining
27 the amount of bonds or notes to be issued and sold, the IFA or the
28 NWIRDA may include the costs of construction or of refunding
29 bonds or notes, including reasonable debt service reserves, and all
30 other expenses necessary or incident to the construction of the rail
31 project, a refunding, or the issuance of the bonds or notes.
32 (b) If the IFA establishes a debt service reserve fund for any
33 such bonds or notes, the IFA may establish a procedure for the IFA
34 or a person acting on behalf of the IFA to certify to the general
35 assembly the amount needed to restore such debt service reserve
36 fund to a required level or levels, if the establishment of the
37 procedure is reviewed by the budget committee and approved by
38 the budget director.
39 Sec. 7. The proceeds of the bonds or notes are appropriated for
40 the purpose for which the bonds or notes may be issued and the
41 proceeds shall be deposited and disbursed in accordance with any
42 provisions and restrictions that the IFA or the NWIRDA may



1 provide in the resolution or trust agreement authorizing the
 2 issuance of the bonds or notes. The maturities of the bonds or
 3 notes, the rights of the owners, and the rights, duties, and
 4 obligations of the IFA and the NWIRDA, as applicable, are
 5 governed in all respects by this article and the resolution or trust
 6 agreement.

7 **Sec. 8. The bonds or notes:**

- 8 (1) constitute the corporate obligations of the IFA or the
 9 NWIRDA;
 10 (2) do not constitute an indebtedness of the state within the
 11 meaning or application of any constitutional provision,
 12 prohibition, or limitation; and
 13 (3) are payable solely as to both principal and interest from:
 14 (A) the revenues from a lease to the NWIRDA, if any;
 15 (B) other available revenues, if any;
 16 (C) proceeds of bonds or notes, if any; or
 17 (D) investment earnings on proceeds of bonds or notes.

18 **Sec. 9. The provisions of this article and the covenants and**
 19 **undertakings of the IFA or the NWIRDA as expressed in any**
 20 **proceedings preliminary to or in connection with the issuance of**
 21 **the bonds or notes may be enforced, subject to the provisions of**
 22 **any resolution or trust agreement, by a bond or note owner by**
 23 **action for injunction or mandamus against the IFA or the**
 24 **NWIRDA or any officer, agent, or employee of the IFA or the**
 25 **NWIRDA. However, no action for monetary judgment may be**
 26 **brought against the state for any violations of this article or for**
 27 **payment of the bonds or notes of the IFA or the NWIRDA.**

28 **Sec. 10. (a) All bonds or notes issued under this article by the**
 29 **IFA are issued by a body corporate and politic of this state, but not**
 30 **a state agency, and for an essential public and governmental**
 31 **purpose. The bonds and notes, the interest on the bonds and notes,**
 32 **the proceeds received by an owner from the sale of the bonds or**
 33 **notes to the extent of the owner's cost of acquisition, proceeds**
 34 **received upon redemption for maturity, proceeds received at**
 35 **maturity, and the receipt of the interest and proceeds are exempt**
 36 **from taxation for all purposes except the financial institutions tax**
 37 **imposed under IC 6-5.5.**

38 **(b) All bonds or notes issued under this article by the NWIRDA**
 39 **are issued by a body corporate and politic. The bonds and notes,**
 40 **the interest on the bonds and notes, the proceeds received by an**
 41 **owner from the sale of the bonds or notes to the extent of the**
 42 **owner's cost of acquisition, proceeds received upon redemption for**



1 maturity, proceeds received at maturity, and the receipt of the
2 interest and proceeds are exempt from taxation for all purposes
3 except the financial institutions tax imposed under IC 6-5.5.

4 **Sec. 11.** Notwithstanding any other law, all financial institutions,
5 investment companies, insurance companies, insurance
6 associations, executors, administrators, guardians, trustees, and
7 other fiduciaries may legally invest sinking funds or other money
8 belonging to them or within their control in bonds or notes issued
9 under this chapter.

10 **Sec. 12.** Bonds or notes issued under this chapter are exempt
11 from the registration requirements of IC 23-19 and any other state
12 securities registration statutes.

13 **Sec. 13.** A pledge of lease rentals, proceeds of bonds or notes,
14 investment earnings on those proceeds, or other money pledged by
15 the IFA or the NWIRDA is binding from the time the pledge is
16 made. Lease rentals, proceeds of bonds or notes, investment
17 earnings on those proceeds, or other money pledged by the IFA or
18 the NWIRDA and received after the pledge by the IFA or the
19 NWIRDA or its trustee or fiduciary is immediately subject to the
20 lien of the pledge without any further act, and the lien of the pledge
21 is binding against all parties having claims of any kind in tort,
22 contract, or otherwise against the IFA, regardless of whether the
23 parties have notice of the lien. A resolution, trust agreement, or
24 any other instrument by which a pledge is created is required to be
25 filed or recorded only in the records of the IFA.

26 **Sec. 14. (a)** The IFA may obtain from the NWIRDA or agency
27 of the state or of the United States, or from a nongovernmental
28 insurer, available insurance or guaranty for the payment or
29 repayment of interest or principal, or both, or any part of interest
30 or principal, or any debt service reserve funds, on bonds or notes
31 issued by the IFA, or on securities purchased or held by the IFA.

32 **(b)** The NWIRDA may obtain from the IFA or agency of the
33 state or of the United States, or from a nongovernmental insurer,
34 available insurance or guaranty for the payment or repayment of
35 interest or principal, or both, or any part of interest or principal,
36 or any debt service reserve funds, on bonds or notes issued by the
37 NWIRDA, or on securities purchased or held by the NWIRDA.

38 **Sec. 15.** The IFA or the NWIRDA may enter into agreements
39 with an entity to provide credit enhancement or liquidity support
40 for any bonds or notes issued by the IFA or the NWIRDA, or for
41 any debt service reserves securing any bonds or notes, with terms
42 that are reasonable and proper, in the discretion of the IFA or the



1 **NWIRDA, and not in violation of law. The IFA or the NWIRDA**
 2 **may execute and deliver notes to evidence its obligation to make**
 3 **payments under such an agreement, but these notes must conform**
 4 **to this article in all respects.**

5 **Sec. 16. The IFA or the NWIRDA may enter into agreements or**
 6 **contracts with any financial institution as may be necessary,**
 7 **desirable, or convenient in the opinion of the IFA or the NWIRDA**
 8 **for rendering services in connection with:**

9 **(1) the care, custody, or safekeeping of securities or other**
 10 **investments held or owned by the IFA or the NWIRDA;**

11 **(2) the payment or collection of amounts payable as to**
 12 **principal or interest; and**

13 **(3) the delivery to the IFA or the NWIRDA of securities or**
 14 **other investments purchased or sold by it.**

15 **The IFA or the NWIRDA may also, in connection with any of the**
 16 **services rendered by a financial institution as to custody and**
 17 **safekeeping of its securities or investments, require security in the**
 18 **form of collateral bonds, surety agreements, or security**
 19 **agreements as, in the opinion of the IFA or the NWIRDA, is**
 20 **necessary or desirable.**

21 **Sec. 17. (a) In the discretion of the IFA or the NWIRDA, any**
 22 **bonds and notes issued under this chapter may be secured by a**
 23 **trust agreement by and between the IFA or the NWIRDA and a**
 24 **corporate trustee, which may be any trust company or bank having**
 25 **the powers of a trust company in Indiana. Such a trust agreement**
 26 **may also provide for a co-trustee, which may be any trust company**
 27 **or bank in the United States.**

28 **(b) The trust agreement or the resolution providing for the**
 29 **issuance of the bonds or notes may contain provisions for**
 30 **protecting and enforcing the rights and remedies of the owners of**
 31 **bonds or notes as may be reasonable and proper, in the discretion**
 32 **of the IFA or the NWIRDA, and not in violation of law.**

33 **(c) The trust agreement or resolution may set forth the rights**
 34 **and remedies of the owners of any bonds or notes of the trustee and**
 35 **may restrict the individual right of action by the owners.**

36 **(d) Any trust agreement or resolution may contain other**
 37 **provisions that the IFA or the NWIRDA considers reasonable and**
 38 **proper for the security of the owners of bonds or notes.**

39 **(e) All expenses incurred in carrying out the provisions of the**
 40 **trust agreement or resolution may be paid from money pledged or**
 41 **assigned to the payment of the principal of and interest on bonds**
 42 **or notes or from funds available to the IFA or the NWIRDA.**



1 **Sec. 18. (a) The IFA may purchase bonds or notes of the IFA or**
 2 **the NWIRDA out of its funds or money available for the purchase**
 3 **of its own bonds or notes. The IFA may hold, cancel, or resell the**
 4 **bonds or notes subject to, and in accordance with, agreements with**
 5 **owners of its bonds or notes. Unless canceled, bonds or notes so**
 6 **held shall be considered to be held for resale or transfer and the**
 7 **obligation evidenced by the bonds or notes shall not be considered**
 8 **to be extinguished.**

9 **(b) The NWIRDA may purchase bonds or notes of the IFA or**
 10 **the NWIRDA out of its funds or money available for the purchase**
 11 **of its own bonds or notes. The NWIRDA may hold, cancel, or resell**
 12 **the bonds or notes subject to, and in accordance with, agreements**
 13 **with owners of its bonds or notes. Unless canceled, bonds or notes**
 14 **so held shall be considered to be held for resale or transfer and the**
 15 **obligation evidenced by the bonds or notes shall not be considered**
 16 **to be extinguished.**

17 **Sec. 19. Funds or money held by the IFA, the NWIRDA, or the**
 18 **NICTD under any trust agreement or resolution may be invested**
 19 **pending disbursement as provided in the trust agreement or the**
 20 **resolution. Such an investment is not restricted by or subject to the**
 21 **provisions of any other law.**

22 SECTION 27. IC 5-1.5-1-8, AS AMENDED BY P.L.232-2007,
 23 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2018]: Sec. 8. "Qualified entity" means:

- 25 (1) a political subdivision (as defined in IC 36-1-2-13);
- 26 (2) a state educational institution;
- 27 (3) a leasing body (as defined in IC 5-1-1-1(a));
- 28 (4) a not-for-profit utility (as defined in IC 8-1-2-125);
- 29 (5) any rural electric membership corporation organized under
- 30 IC 8-1-13;
- 31 (6) any corporation that was organized in 1963 under Acts 1935,
- 32 c. 157 and that engages in the generation and transmission of
- 33 electric energy;
- 34 (7) any telephone cooperative corporation formed under
- 35 IC 8-1-17;
- 36 (8) any commission, authority, or authorized body of any qualified
- 37 entity;
- 38 (9) any organization, association, or trust with members,
- 39 participants, or beneficiaries that are all individually qualified
- 40 entities;
- 41 (10) any commission, authority, or instrumentality of the state;
- 42 (11) any other participant (as defined in ~~IC 13-11-2-151.1~~);



- 1 **IC 5-1.2-2-54);**
- 2 (12) a charter school established under IC 20-5.5 (before its
- 3 repeal) or IC 20-24 that is not a qualified entity under
- 4 IC 5-1.4-1-10;
- 5 (13) a volunteer fire department (as defined in IC 36-8-12-2); or
- 6 (14) a development authority (as defined in IC 36-7.6-1-8).
- 7 SECTION 28. IC 5-1.5-2-2, AS AMENDED BY P.L.235-2005,
- 8 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 9 JULY 1, 2018]: Sec. 2. (a) There is established a board of directors to
- 10 govern the bank. The powers of the bank are vested in this board.
- 11 (b) The board is composed of:
- 12 (1) the treasurer of state, who shall be the chairman ex officio;
- 13 (2) the public finance director appointed under ~~IC 4-4-11-9~~;
- 14 **IC 5-1.2-3-6**, who shall be the director ex officio; and
- 15 (3) five (5) directors appointed by the governor.
- 16 (c) Each of the five (5) directors appointed by the governor:
- 17 (1) must be a resident of Indiana;
- 18 (2) must have substantial expertise in the buying, selling, and
- 19 trading of municipal securities, in municipal administration or in
- 20 public facilities management;
- 21 (3) serves for a term of three (3) years and until ~~his~~ **the director's**
- 22 successor is appointed and qualified;
- 23 (4) is eligible for reappointment;
- 24 (5) is entitled to receive the same minimum salary per diem as is
- 25 provided in IC 4-10-11-2.1(b) while performing the director's
- 26 duties. Such a director is also entitled to the same reimbursement
- 27 for traveling expenses and other expenses, actually incurred in
- 28 connection with the director's duties as is provided in the state
- 29 travel policies and procedures, established by the department of
- 30 administration and approved by the budget agency; and
- 31 (6) may be removed by the governor for cause.
- 32 (d) Any vacancy on the board, other than by expiration of term, shall
- 33 be filled by appointment of the governor for the unexpired term only.
- 34 SECTION 29. IC 5-1.5-4-4, AS AMENDED BY P.L.235-2005,
- 35 SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 36 JULY 1, 2018]: Sec. 4. (a) Bonds or notes of the bank must be
- 37 authorized by resolution of the board, may be issued in one (1) or more
- 38 series, and must:
- 39 (1) bear the date;
- 40 (2) mature at the time or times;
- 41 (3) be in the denomination;
- 42 (4) be in the form;



- 1 (5) carry the conversion or registration privileges;
 - 2 (6) have the rank or priority;
 - 3 (7) be executed in the manner;
 - 4 (8) be payable from the sources in the medium of payment at the
 - 5 place inside or outside the state; and
 - 6 (9) be subject to the terms of redemption;
- 7 as the resolution of the board or the trust agreement securing the bonds
- 8 or notes provides.

9 (b) Except as provided in subsection (e), bonds or notes may be

10 issued under this article without obtaining the consent of any agency of

11 the state and without any other proceeding or condition other than the

12 proceedings or conditions specified in this article.

13 (c) The rate or rates of interest on the bonds or notes may be fixed

14 or variable. Variable rates shall be determined in the manner and in

15 accordance with the procedures set forth in the resolution authorizing

16 the issuance of the bonds or notes. Bonds or notes bearing a variable

17 rate of interest may be converted to bonds or notes bearing a fixed rate

18 or rates of interest, and bonds or notes bearing a fixed rate or rates of

19 interest may be converted to bonds or notes bearing a variable rate of

20 interest, to the extent and in the manner set forth in the resolution

21 pursuant to which the bonds or notes are issued. The interest on bonds

22 or notes may be payable semiannually or annually or at any other

23 interval or intervals as may be provided in the resolution, or the interest

24 may be compounded and paid at maturity or at any other times as may

25 be specified in the resolution.

26 (d) The bonds or notes may be made subject, at the option of the

27 holders, to mandatory redemption by the bank at the times and under

28 the circumstances set forth in the authorizing resolution.

29 (e) The bank may not issue bonds for qualified entities described in

30 IC 5-1.5-1-8(5) through IC 5-1.5-1-8(7) or IC 5-1.5-1-8(11) that are

31 subject to the volume cap (as defined in ~~IC 4-4-11.5-14~~ **IC 5-1.2-2**)

32 without obtaining the prior approval of the Indiana finance authority.

33 SECTION 30. IC 5-13-4-6 IS AMENDED TO READ AS

34 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 6. "Credit enhancement

35 obligation" means the obligation of the developers of an **industrial**

36 **economic** development project under the documents related to the

37 credit enhancement.

38 SECTION 31. IC 5-13-4-13 IS AMENDED TO READ AS

39 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 13. "**Industrial**

40 **Economic** development obligation" means any loan or lease by a

41 lender or lessor approved by the board for depositories as responsible

42 and able to service the loan or lease properly, which is used to finance



1 all or any portion of the cost of an ~~industrial~~ **economic** development
2 project.

3 SECTION 32. IC 5-13-4-14, AS AMENDED BY P.L.235-2005,
4 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2018]: Sec. 14. "~~Industrial~~ **Economic** development project"
6 has the meaning set forth in ~~IC 4-4-10.9-11~~ **IC 5-1.2-2** and includes
7 mining operations, agricultural operations that involve the processing
8 of agricultural products, and any other type of business project for
9 which the Indiana finance authority may make a loan or lease
10 guarantee.

11 SECTION 33. IC 5-13-12-3, AS AMENDED BY P.L.235-2005,
12 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2018]: Sec. 3. (a) The board for depositories exercises
14 essential public functions, and has a perpetual existence. The board has
15 all powers necessary, convenient, or appropriate to carry out and
16 effectuate its public and corporate purposes, including but not limited
17 to the powers to do the following:

- 18 (1) Adopt, amend, and repeal bylaws and rules consistent with
19 this chapter to regulate its affairs and to effect the powers and
20 purposes of the board, all without the necessity of adopting a rule
21 under IC 4-22-2.
- 22 (2) Adopt its budget on a calendar year or fiscal year as it shall
23 determine.
- 24 (3) Sue and be sued in its own name.
- 25 (4) Have an official seal and alter it at will.
- 26 (5) Maintain an office or offices at a place or places within
27 Indiana as it may designate.
- 28 (6) Make and execute contracts and all other instruments with
29 either public or private entities.
- 30 (7) Communicate with the employees of the Indiana finance
31 authority to the extent reasonably desirable in working on a
32 guarantee of an ~~industrial~~ **economic** development obligation or
33 credit enhancement obligation.
- 34 (8) Deposit all uninvested funds of the public deposit insurance
35 fund in a separate account or accounts in financial institutions that
36 are designated as depositories to receive state funds under
37 IC 5-13-9.5. The money in these accounts shall be paid out on
38 checks signed by the chairman or other officers or employees of
39 the board as it shall authorize.
- 40 (9) Take any other act necessary or convenient for the
41 performance of its duties and the exercise of its powers and
42 functions under this chapter.



1 (b) In enforcing any obligation of the borrower or any other person
 2 under the documents evidencing a guarantee, the board may renegotiate
 3 the guarantee, modify the rate of interest, term of the industrial
 4 development obligation or credit enhancement obligation, payment of
 5 any installment of principal or interest, or any other term of any
 6 documents, settle any obligation on the security or receipt of property
 7 or the other terms as in its discretion it deems advantageous to the
 8 public deposit insurance fund, and take any other action necessary or
 9 convenient to such enforcement.

10 (c) The records of the board for depositories relating to negotiations
 11 between it and prospects for ~~industrial~~ **economic** development
 12 obligation or credit enhancement obligation guarantees are excepted
 13 from the provisions of IC 5-14-3-3.

14 SECTION 34. IC 5-13-12-4, AS AMENDED BY P.L.93-2013,
 15 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2018]: Sec. 4. (a) The secretary-investment manager shall
 17 administer, manage, and direct the affairs and activities of the board
 18 under the policies and under the control and direction of the board. In
 19 carrying out these duties, the secretary-investment manager has the
 20 power to do the following:

21 (1) Approve all accounts for salaries and allowable expenses of
 22 the board, including, but not limited to:

23 (A) the employment of general or special attorneys, consultants,
 24 and employees and agents as may be necessary to assist the
 25 secretary-investment manager in carrying out the duties of that
 26 office and to assist the board in its consideration of applications
 27 for a guarantee of an ~~industrial~~ **economic** development
 28 obligation or credit enhancement obligation guarantee; and

29 (B) the setting of compensation of persons employed under
 30 clause (A).

31 (2) Approve all expenses incidental to the operation of the public
 32 deposit insurance fund.

33 (3) Perform other duties and functions that may be delegated to
 34 the secretary-investment manager by the board or that are
 35 necessary to carry out the duties of the secretary-investment
 36 manager under this chapter.

37 (b) The secretary-investment manager shall keep a record of the
 38 proceedings of the board, and shall maintain and be custodian of all
 39 books, documents, and papers filed with the board, and its official seal.
 40 The secretary-investment manager may make copies of all minutes and
 41 other records and documents of the board, and may give certificates
 42 under seal of the board to the effect that the copies are true copies. All



1 persons dealing with the board may rely upon the certificates.
2 (c) Before July 30, 2013, the auditor of state shall:
3 (1) make the second 2013 distribution from the pension
4 distribution fund to the Indiana public retirement system for
5 deposit in the pension relief fund as required by this section as it
6 existed on June 30, 2013; and
7 (2) transfer all of the balance in the pension distribution fund
8 remaining after the distribution under subdivision (1) to the
9 public deposit insurance fund.
10 SECTION 35. IC 5-13-12-7, AS AMENDED BY P.L.93-2013,
11 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2018]: Sec. 7. (a) The board for depositories shall manage and
13 operate the insurance fund. All expenses incident to the administration
14 of the fund shall be paid out of the money accumulated in it subject to
15 the direction of the board for depositories. Money in the fund may not
16 be expended, removed, or transferred from the fund for any purpose
17 other than the following unless the expenditure, the removal, or transfer
18 is first reviewed by the budget committee:
19 (1) Paying expenses of administering the fund.
20 (2) Investing, reinvesting, and exchanging investments as
21 described in subsection (d).
22 (3) Paying claims on insured public deposits under IC 5-13-13.
23 (4) Making payments required by contracts executed under
24 section 3(a)(6) of this chapter.
25 (5) Making deposits of uninvested funds under section 3(a)(8) of
26 this chapter.
27 (6) Paying allowable expenses as provided in section 4 of this
28 chapter.
29 (b) Effective January 1 and July 1 in each year, the board shall
30 before those dates redetermine the amount of the reserve to be
31 maintained by the insurance fund. The establishment or any change in
32 the reserve for losses shall be determined by the board based on
33 information the board considers, including but not limited to capital
34 adequacy, liquidity, and asset quality, and a study to be made or
35 updated by actuaries, economists, or other consultants based on the
36 history of losses, earnings on the funds, conditions of the depositories,
37 economic conditions affecting particular depositories or depositories
38 in general, and any other factors that the board considers relevant in
39 making its determination. The reserve determined by the board must be
40 sufficient to ensure the safekeeping and prompt payment of public
41 funds to the extent they are not covered by insurance of any federal
42 deposit insurance agency.



1 (c) At the end of each biennial period during which depositories
 2 have had public funds on deposit under this chapter and paid the
 3 assessments levied by the board, the board shall compute its receipts
 4 from assessments and all other sources and its expenses and losses and
 5 determine the profit derived from the operation of the fund for the
 6 period. Until the amount of the reserve for losses has been
 7 accumulated, all assessments levied for a biennial period shall be
 8 retained by the fund. The amount of the assessments, if any, levied by
 9 the board shall, to the extent the fund exceeds the reserve for losses at
 10 the end of a biennial period commencing July 1 of each odd-numbered
 11 year, be distributed to the depositories that had public funds on deposit
 12 during the biennial period in which the assessments were paid. The
 13 distribution shall be made to the respective depositories in the
 14 proportion that the total assessments paid by each depository during
 15 that period bears to the total assessments then paid by all depositories.
 16 A distribution to which any closed depository would otherwise be
 17 entitled shall be set off against any claim that the insurance fund may
 18 have against the closed depository.

19 (d) The board may invest, reinvest, and exchange investments of the
 20 insurance fund in excess of the cash working balance in any of the
 21 following:

22 (1) In bonds, notes, certificates, and other valid obligations of the
 23 United States, either directly or, subject to the limitations in
 24 subsection (e), in the form of securities of or other interests in an
 25 open-end no-load management-type investment company or
 26 investment trust registered under the provisions of the Investment
 27 Company Act of 1940, as amended (15 U.S.C. 80a et seq.).

28 (2) In bonds, notes, debentures, and other securities issued by a
 29 federal agency or a federal instrumentality and fully guaranteed
 30 by the United States either directly or, subject to the limitations
 31 in subsection (e), in the form of securities of or other interests in
 32 an open-end no-load management-type investment company or
 33 investment trust registered under the provisions of the Investment
 34 Company Act of 1940, as amended (15 U.S.C. 80a et seq.).

35 (3) In bonds, notes, certificates, and other valid obligations of a
 36 state or of an Indiana political subdivision that are issued under
 37 law, the issuers of which, for five (5) years before the date of the
 38 investment, have promptly paid the principal and interest on their
 39 bonds and other legal obligations.

40 (4) In bonds or other obligations of the Indiana finance authority
 41 issued under ~~IC 4-13.5~~ **IC 5-1.2**.

42 (5) In investments permitted the state under IC 5-13-10.5.



1 (6) In guarantees of **industrial economic** development obligations
 2 or credit enhancement obligations, or both, for the purposes of
 3 retaining and increasing employment in enterprises in Indiana,
 4 subject to the limitations and conditions set out in this
 5 subdivision, subsection (e), and section 8 of this chapter. An
 6 individual guarantee of the board under this subdivision must not
 7 exceed eight million dollars (\$8,000,000).

8 (7) In guarantees of bonds or notes issued under IC 5-1.5-4-1,
 9 subject to the limitations and conditions set out in subsection (e)
 10 and section 8 of this chapter.

11 (8) In bonds, notes, or other valid obligations of the Indiana
 12 finance authority that have been issued in conjunction with the
 13 authority's acquisition, development, or improvement of property
 14 or other interests for an **industrial economic** development project
 15 (as defined in ~~IC 4-4-10.9-11~~ **IC 5-1.2-2**) that the authority has
 16 undertaken for the purposes of retaining or increasing
 17 employment in existing or new enterprises in Indiana, subject to
 18 the limitations in subsection (e).

19 (9) In notes or other debt obligations of counties, cities, and towns
 20 that have been issued under IC 6-1.1-39 for borrowings from the
 21 industrial development fund under IC 5-28-9 for purposes of
 22 retaining or increasing employment in existing or new enterprises
 23 in Indiana, subject to the limitations in subsection (e).

24 (10) In bonds or other obligations of the Indiana housing and
 25 community development authority.

26 (e) The investment authority of the board under subsection (d) is
 27 subject to the following limitations:

28 (1) For investments under subsection (d)(1) and (d)(2), the
 29 portfolio of an open-end no-load management-type investment
 30 company or investment trust must be limited to:

31 (A) direct obligations of the United States and obligations of a
 32 federal agency or a federal instrumentality that are fully
 33 guaranteed by the United States; and

34 (B) repurchase agreements fully collateralized by obligations
 35 described in clause (A), of which the company or trust takes
 36 delivery either directly or through an authorized custodian.

37 (2) Total outstanding investments in guarantees of **industrial**
 38 **economic** development obligations and credit enhancement
 39 obligations under subsection (d)(6) must not exceed the greater
 40 of:

41 (A) ten percent (10%) of the available balance of the insurance
 42 fund; or



- 1 (B) fourteen million dollars (\$14,000,000).
 2 (3) Total outstanding investments in guarantees of bond bank
 3 obligations under subsection (d)(7) must not exceed the greater
 4 of:
 5 (A) twenty percent (20%) of the available balance of the
 6 insurance fund; or
 7 (B) twenty-four million dollars (\$24,000,000).
 8 (4) Total outstanding investments in bonds, notes, or other
 9 obligations of the Indiana finance authority under subsection
 10 (d)(8) may not exceed the greater of:
 11 (A) fifteen percent (15%) of the available balance of the
 12 insurance fund; or
 13 (B) twenty million dollars (\$20,000,000).
 14 However, after June 30, 1988, the board may not make any
 15 additional investment in bonds, notes, or other obligations of the
 16 Indiana finance authority issued under IC 4-4-11 (**before its**
 17 **repeal**), and the board may invest an amount equal to the
 18 remainder, if any, of:
 19 (i) fifteen percent (15%) of the available balance of the
 20 insurance fund; minus
 21 (ii) the board's total outstanding investments in bonds, notes,
 22 or other obligations of the Indiana finance authority issued
 23 under IC 4-4-11 (**before its repeal**);
 24 in guarantees of ~~industrial economic~~ development obligations or
 25 credit enhancement obligations, or both, as authorized by
 26 subsection (d)(6). In such a case, the outstanding investments, as
 27 authorized by subsection (d)(6) and (d)(8), may not exceed in
 28 total the greater of twenty-five percent (25%) of the available
 29 balance of the insurance fund or thirty-four million dollars
 30 (\$34,000,000).
 31 (5) Total outstanding investments in notes or other debt
 32 obligations of counties, cities, and towns under subsection (d)(9)
 33 may not exceed the greater of:
 34 (A) ten percent (10%) of the available balance of the insurance
 35 fund; or
 36 (B) twelve million dollars (\$12,000,000).
 37 (f) For purposes of subsection (e), the available balance of the
 38 insurance fund does not include the outstanding principal amount of
 39 any fund investment in a corporate note or obligation or the part of the
 40 fund that has been established as a reserve for losses.
 41 (g) All interest and other income earned on investments of the
 42 insurance fund and all amounts collected by the board accrue to the



1 fund.

2 (h) Members of the board and any officers or employees of the
3 board are not subject to personal liability or accountability by reason
4 of any investment in any of the obligations listed in subsection (d).

5 SECTION 36. IC 5-13-12-8, AS AMENDED BY P.L.162-2007,
6 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2018]: Sec. 8. (a) The board for depositories, in making the
8 ~~industrial~~ **economic** development obligation or credit enhancement
9 obligation guarantees authorized under section 7(d)(6) of this chapter,
10 shall comply with the following limitations:

11 (1) A guarantee shall be made only of ~~industrial~~ **economic**
12 development obligations or credit enhancement obligations for
13 the purpose of retaining, retaining and expanding, or bringing
14 significant employment into Indiana, as determined by the board
15 under subdivision (3)(A).

16 (2) Each ~~industrial~~ **economic** development obligation or credit
17 enhancement obligation must be guaranteed not only by the board
18 but also by the Indiana economic development corporation
19 created by IC 5-28-3-1. Each guarantee must provide that in the
20 event of a valid claim of loss by the lender, the lessor, or the
21 issuer of the credit enhancement arising under the ~~industrial~~
22 **economic** development obligation or credit enhancement
23 documents, the amount of the loss, up to two million dollars
24 (\$2,000,000), shall first be paid by the industrial development
25 project guaranty fund created by IC 5-28-30-9, and only the
26 remainder of the loss, if any, shall to the extent guaranteed be
27 paid by the public deposit insurance fund. Neither fund is
28 responsible for the amount due from the other under its guarantee.

29 (3) The guarantee of the ~~industrial~~ **economic** development
30 obligation or credit enhancement obligation by the board for
31 depositories must be recommended by the Indiana economic
32 development corporation. Subject to that recommendation, the
33 board for depositories may make the guarantee if it determines:

34 (A) that the guarantee creates a reasonable probability that loss
35 in Indiana employment that would occur will be significantly
36 reduced or that Indiana's employment will be significantly
37 expanded;

38 (B) that the consequent reduction in employment loss or the
39 expansion in employment will enhance the economic stability
40 of the community or communities in the state where the
41 borrower or lessee conducts its business;

42 (C) that there is reasonable probability that the ~~industrial~~



- 1 **economic** development obligation will be repaid or satisfied or
 2 that the credit enhancement will be satisfied; and
 3 (D) that the ~~industrial~~ **economic** development obligation or
 4 credit enhancement obligation and guarantee are protected
 5 against loss and the borrower or lessee has agreed to pay the
 6 insurance fund a guarantee premium annually as provided in
 7 subdivision (6).
- 8 (4) Protection against loss on the ~~industrial~~ **economic**
 9 development obligation or credit enhancement obligation
 10 guaranteed will be provided:
 11 (A) in loan transactions by:
 12 (i) a valid security agreement;
 13 (ii) mortgage;
 14 (iii) combination of (i) and (ii); or
 15 (iv) other document; and
 16 (B) in lease transactions by the guaranteed party's rights as
 17 owner of the leased property.
- 18 (5) The term of the guarantee must not exceed twenty (20) years.
 19 The amount of the guarantee provided by the board, together with
 20 the corresponding guarantee to be provided by the industrial
 21 development project guaranty fund under subdivision (2), must
 22 not exceed:
 23 (A) the lesser of:
 24 (i) ninety percent (90%) of the unpaid balance of the
 25 obligation; or
 26 (ii) ninety percent (90%) of the appraised fair market value of
 27 the real estate;
 28 if the obligation is backed by real estate;
 29 (B) the lesser of:
 30 (i) seventy-five percent (75%) of the unpaid balance of the
 31 obligation; or
 32 (ii) seventy-five percent (75%) of the appraised fair market
 33 value of the equipment;
 34 if the obligation is backed by equipment; or
 35 (C) a weighted average of the figures derived under clauses
 36 (A)(ii) and (B)(ii) if the obligation is backed by real estate and
 37 equipment.
- 38 (6) The guarantee premium to be received by the public deposit
 39 insurance fund for the guarantee must be at an annual percentage
 40 rate on the outstanding principal amount of the ~~industrial~~
 41 **economic** development obligation or the credit enhancement
 42 obligation of not less, in the discretion of the board, than the



1 market rate for guarantees, mortgage insurance rates, or letters of
 2 credit used for similar purposes at the time the guarantee is made.
 3 However, the annual percentage rate must not exceed two percent
 4 (2%) of the outstanding principal obligation.

5 (b) The following conditions apply to the making of bond bank
 6 obligation guarantees under section 7(d)(7) of this chapter:

7 (1) Each bond bank obligation guaranteed must be secured by a
 8 pledge of securities of a qualified entity (as defined in
 9 IC 5-1.5-1-8) under an indenture of trust requiring an adequate
 10 debt reserve fund.

11 (2) The board for depositories shall fix the one (1) time or annual
 12 charge to be paid by the bond bank for each guarantee in an
 13 amount considered by the board to be appropriate and consistent
 14 with the market rate for that guarantee, taking into consideration
 15 the terms of the indenture applicable to the bond bank obligation.

16 (3) The board for depositories may agree to other terms for each
 17 guarantee that the secretary-investment manager certifies as being
 18 commercially reasonable and that the board, in its judgment,
 19 determines to be proper.

20 (c) Any claim, loss, or debt arising out of any guarantee authorized
 21 by section 7(d)(6) or 7(d)(7) of this chapter is the obligation of the
 22 board for depositories payable out of the public deposit insurance fund
 23 only and does not constitute a debt, liability, or obligation of the state
 24 or a pledge of the faith and credit of the state. The document
 25 evidencing any guarantee must have on its face the words, "The
 26 obligations created by this guarantee (or other document as
 27 appropriate) do not constitute a debt, liability, or obligation of the state
 28 or a pledge of the faith and credit of the state but are obligations of the
 29 board for public depositories and are payable solely out of the public
 30 deposit insurance fund, and neither the faith and credit nor the taxing
 31 power of the state is pledged to the payment of any obligation
 32 hereunder."

33 (d) Any claim of loss by a lender or lessor under a guarantee
 34 authorized by section 7(d)(6) or 7(d)(7) of this chapter, at the time it is
 35 made in writing to the board, has priority against the fund on all claims
 36 made after that time.

37 SECTION 37. IC 5-13-12-10, AS AMENDED BY P.L.235-2005,
 38 SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2018]: Sec. 10. With regard to direct obligations of the
 40 Indiana finance authority that have been issued in conjunction with an
 41 ~~industrial~~ **economic** development project undertaken by the authority,
 42 including those obligations that are guaranteed by the board under this



1 chapter or purchased by the board under section 7(d)(8) of this chapter,
 2 the board may upon the request of the authority permit a subordination
 3 of any valid security agreement, mortgage, combinations thereof, or
 4 other appropriate document securing the direct obligations, if the board
 5 in its discretion determines that the subordination is reasonably
 6 necessary to accomplish the objectives of the ~~industrial~~ **economic**
 7 development project.

8 SECTION 38. IC 5-14-3.3-2, AS ADDED BY P.L.269-2017,
 9 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2018]: Sec. 2. (a) As used in this chapter, "executive state
 11 agency" refers to any agency, authority, board, bureau, commission,
 12 department, division, office, or other unit of state government in the
 13 executive, including the administrative, department of state
 14 government established by any of the following:

- 15 (1) The Constitution of the State of Indiana.
- 16 (2) An Indiana statute.
- 17 (3) An administrative rule.
- 18 (4) An executive order.

19 (b) The term does not include the following:

- 20 (1) The legislative department of state government.
- 21 (2) The judicial department of state government.
- 22 (3) The Indiana finance authority ~~created~~ **established by**
 23 ~~IC 4-4-11-4~~ **IC 5-1.2-3-1**.
- 24 (4) A political subdivision.
- 25 (5) A state educational institution.

26 SECTION 39. IC 5-20-1-8, AS AMENDED BY P.L.145-2008,
 27 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2018]: Sec. 8. (a) Subject to the approval of the public finance
 29 director appointed under ~~IC 4-4-11-9~~ **IC 5-1.2-3-6**, the authority is
 30 hereby authorized to issue bonds or notes, or a combination thereof, to
 31 carry out and effectuate its purposes and powers. The principal of, and
 32 the interest on, such bonds or notes shall be payable solely from the
 33 funds provided for such payment in this chapter. The authority may
 34 secure the repayment of such bonds and notes by the pledge of
 35 mortgages and notes of others, revenues derived from operations and
 36 loan repayments, the proceeds of its bonds, and any available revenues
 37 or assets of the authority. The bonds or notes of each issue shall be
 38 dated and may be made redeemable before maturity at the option of the
 39 authority, at such price or prices and under such terms and conditions
 40 as may be determined by the authority. Any such bonds or notes shall
 41 bear interest at such rate or rates as may be determined by the
 42 authority. Notes shall mature at such time or times not exceeding ten



1 (10) years from their date or dates, and bonds shall mature at such time
 2 or times not exceeding forty-five (45) years from their date or dates, as
 3 may be determined by the authority. The authority shall determine the
 4 form and manner of execution of the bonds or notes, including any
 5 interest coupons to be attached thereto, and shall fix the denomination
 6 or denominations and the place or places of payment of principal and
 7 interest, which may be any bank or trust company within or outside the
 8 state. In case any officer whose signature, or a facsimile of whose
 9 signature, shall appear on any bonds or notes or coupons attached
 10 thereto shall cease to be such officer before the delivery thereof, such
 11 signature or such facsimile shall nevertheless be valid and sufficient for
 12 all purposes the same as if the person had remained in office until such
 13 delivery. The authority may also provide for the authentication of the
 14 bonds or notes by a trustee or fiscal agent. The bonds or notes may be
 15 issued in coupon or registered form, or both, as the authority may
 16 determine, and provision may be made for the registration of any
 17 coupon bonds or notes as to principal alone and also as to both
 18 principal and interest, and for the reconversion into coupon bonds or
 19 notes of any bonds or notes registered as to both principal and interest,
 20 and for the interchange of registered and coupon bonds or notes. Upon
 21 the approval of a resolution of the authority authorizing the sale of its
 22 bonds or notes, such bonds or notes may be sold in such manner, either
 23 at public or private sale, and for such price as the authority shall
 24 determine to be for the best interest of the authority and to best
 25 effectuate the purposes of this chapter.

26 (b) The proceeds of any bonds or notes shall be used solely for the
 27 purposes for which they are issued. The proceeds shall be disbursed in
 28 such manner and under such restrictions, if any, as the authority may
 29 provide in the resolution authorizing the issuance of such bonds or
 30 notes or in the trust agreement securing the same.

31 (c) Prior to the preparation of definitive bonds, the authority may,
 32 under like restrictions and subject to the approval of the public finance
 33 director appointed under ~~IC 4-4-11-9~~, **IC 5-1.2-3-6**, issue interim
 34 receipts or temporary bonds, with or without coupons, exchangeable for
 35 definitive bonds when such bonds shall have been executed and are
 36 available for delivery. The authority may also provide for the
 37 replacement of any bonds or notes which shall become mutilated or
 38 shall be destroyed or lost.

39 (d) The authority shall cooperate with and use the assistance of the
 40 Indiana finance authority established ~~under IC 4-4-11~~ by **IC 5-1.2-3** in
 41 the issuance of the bonds or notes.

42 SECTION 40. IC 5-20-1-18, AS AMENDED BY P.L.145-2008,

EH 1374—LS 7151/DI 58



1 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 2 JULY 1, 2018]: Sec. 18. The authority shall, promptly following the
 3 close of each fiscal year, submit an annual report of its activities for the
 4 preceding year to the public finance director appointed under
 5 ~~IC 4-4-11-9~~; **IC 5-1.2-3-6**, the budget committee, and the general
 6 assembly. An annual report submitted under this section to the general
 7 assembly must be in an electronic format under IC 5-14-6. The report
 8 shall set forth a complete operating and financial statement of the
 9 authority during such year, and a copy of such report shall be available
 10 to inspection by the public at the Indianapolis office of the authority.
 11 The authority shall cause an audit of its books and accounts to be made
 12 at least once in each year by an independent certified public accountant
 13 and the cost thereof may be paid from any available money of the
 14 authority.

15 SECTION 41. IC 5-28-3-6 IS REPEALED [EFFECTIVE JULY 1,
 16 2018]. Sec. 6: (a) As used in this section, "transferred programs" refers
 17 to the following:

18 (1) Shovel ready site development center under IC 5-28-28.4, as
 19 added by P.L.162-2007 (IC 4-4-11-44 before its repeal):

20 (2) Capital access program under IC 5-28-29, as added by
 21 P.L.162-2007 (IC 4-4-26 before its repeal):

22 (3) Industrial development loan guaranty program under
 23 IC 5-28-30, as added by P.L.162-2007 (IC 4-4-11-16 before its
 24 repeal):

25 (4) Agricultural loan and rural development project guarantee
 26 fund under IC 5-28-31, as added by P.L.162-2007 (IC 15-7-5-19.5
 27 before its repeal):

28 (5) Business development loan fund under IC 5-28-32, as added
 29 by P.L.162-2007 (IC 4-4-11-16.5 before its repeal):

30 (b) On July 1, 2007, all powers, duties, and liabilities of the Indiana
 31 finance authority with respect to the transferred programs are
 32 transferred to the corporation:

33 (c) On July 1, 2007, all records and property of the Indiana finance
 34 authority with respect to the transferred programs, including
 35 appropriations and other funds under the authority's control or
 36 supervision, are transferred to the corporation:

37 (d) After June 30, 2007, any amounts owed to the Indiana finance
 38 authority under the transferred programs before July 1, 2007, are
 39 considered to be owed to the corporation:

40 (e) After June 30, 2007, a reference to the Indiana finance
 41 authority in a statute, rule, or other document concerning a transferred program
 42 is considered a reference to the corporation unless the reference applies



1 to the issuance of obligations:

2 (f) On July 1, 2007, all powers, duties, and liabilities of the Indiana
3 finance authority with respect to agreements entered into or obligations
4 issued in connection with a transferred program are transferred to the
5 corporation. The rights of a party to such an agreement or the holder of
6 such an obligation remain unchanged, although the powers, duties, and
7 liabilities described in this subsection have been transferred to the
8 corporation.

9 SECTION 42. IC 5-28-5-15, AS ADDED BY P.L.162-2007,
10 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2018]: Sec. 15. The corporation may take assignments of
12 accounts receivable, loans, guarantees, insurance, notes, mortgages,
13 security agreements securing notes, and other forms of security, attach,
14 seize, or take title by foreclosure or conveyance to an ~~industrial~~
15 **economic** development project when a guaranteed loan on the
16 ~~industrial economic~~ development project is clearly in default and when
17 in the opinion of the corporation such an acquisition is necessary to
18 safeguard the industrial development project guaranty fund, and sell,
19 or on a temporary basis, lease or rent ~~such industrial~~ **the economic**
20 development project for any use.

21 SECTION 43. IC 5-28-8-4, AS AMENDED BY P.L.145-2016,
22 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2018]: Sec. 4. As used in this chapter, "qualified entity"
24 means:

- 25 (1) the state;
26 (2) a political subdivision of the state;
27 (3) an agency of the state or a political subdivision of the state;
28 (4) a nonprofit corporation;
29 (5) the Indiana finance authority established ~~under IC 4-4-10.9~~
30 ~~and IC 4-4-11;~~ **by IC 5-1.2-3;** or
31 (6) any of the following local economic development
32 organizations:
33 (A) An urban enterprise association established under
34 IC 5-28-15 (or IC 4-4-6.1 before its repeal).
35 (B) An economic development commission established under
36 IC 36-7-12.
37 (C) A nonprofit corporation established under state law whose
38 primary purpose is the promotion of industrial or business
39 development in Indiana, the retention or expansion of Indiana
40 businesses, or the development of entrepreneurial activities in
41 Indiana.
42 (D) A regional planning commission established under



- 1 IC 36-7-7.
 2 (E) A nonprofit educational organization whose primary
 3 purpose is educating and developing local leadership for
 4 economic development initiatives.
 5 (F) Other similar organizations whose purposes include
 6 economic development and that are approved by the
 7 corporation.

8 SECTION 44. IC 5-28-9-20, AS AMENDED BY P.L.1-2006,
 9 SECTION 127, IS AMENDED TO READ AS FOLLOWS
 10 [EFFECTIVE JULY 1, 2018]: Sec. 20. (a) For ~~industrial economic~~ **economic**
 11 development projects (as defined in ~~IC 4-4-10.9-11(a)~~ **IC 5-1.2-2**) that
 12 have a cost of the project (as defined in ~~IC 4-4-10.9-5~~ **IC 5-1.2-2**)
 13 greater than one hundred million dollars (\$100,000,000), the
 14 corporation may coordinate a loan to a county, city, or town under this
 15 chapter that is to be funded under IC 6-1.1-39 with a simultaneous or
 16 successive sale of the note or other debt obligation issued or to be
 17 issued by the county, city, or town to evidence the borrowing under this
 18 chapter. For such a coordinated or simultaneous lending and sale, the
 19 sale proceeds may be applied to the funding of the loan to the county,
 20 city, or town.

21 (b) Notes or other debt obligations of a county, city, or town that
 22 may be sold by the corporation under this section or section 19 of this
 23 chapter are declared to be legal investments for:

- 24 (1) all insurance companies and associations and other persons
 25 carrying on an insurance business; and
 26 (2) all banks, bankers, banking associations, trust companies,
 27 savings associations including savings and loan associations,
 28 building and loan associations, investment companies, and other
 29 persons carrying on a banking business.

30 These entities may invest their funds, including capital, in the notes or
 31 other debt obligations, notwithstanding any law to the contrary.

32 SECTION 45. IC 5-28-25-1, AS ADDED BY P.L.235-2005,
 33 SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2018]: Sec. 1. As used in this chapter, "eligible entity" means:

- 35 (1) a city;
 36 (2) a town;
 37 (3) a county;
 38 (4) a special taxing district;
 39 (5) an economic development commission established under
 40 IC 36-7-12;
 41 (6) a nonprofit corporation;
 42 (7) a corporation established under IC 23-7-1.1 (before its repeal)



- 1 on August 1, 1991) or IC 23-17 to distribute water for domestic
- 2 and industrial use;
- 3 (8) a regional water, sewage, or solid waste district;
- 4 (9) a conservancy district that includes in its purpose the
- 5 distribution of domestic water or the collection and treatment of
- 6 waste; or
- 7 (10) the Indiana finance authority established ~~under IC 4-4-11~~ by
- 8 **IC 5-1.2-3.**

9 SECTION 46. IC 5-28-28.5-0.5 IS ADDED TO THE INDIANA
 10 CODE AS A NEW SECTION TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 2018]: **Sec. 0.5. As used in this chapter,**
 12 **"broadband services" includes services, including voice, video, and**
 13 **data, that provide capacity for transmission of more than three**
 14 **hundred eighty-four (384) kilobits per second in at least one (1)**
 15 **direction regardless of the technology or medium used, including**
 16 **wireless, copper wire, fiber optic cable, or coaxial cable. If voice**
 17 **transmission capacity is offered in conjunction with other services**
 18 **using transmission of more than three hundred eighty-four (384)**
 19 **kilobits per second, the voice transmission capacity may be less**
 20 **than three hundred eighty-four (384) kilobits per second. The**
 21 **authority shall annually reconsider the three hundred eighty-four**
 22 **(384) kilobits threshold under this section with a bias toward**
 23 **raising the threshold in a manner consistent with technological**
 24 **advances.**

25 SECTION 47. IC 5-28-28.5-8, AS ADDED BY P.L.33-2017,
 26 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2018]: Sec. 8. (a) As used in this section, "broadband
 28 adoption" refers to an agreement by a customer to subscribe to
 29 broadband services (as defined in ~~IC 8-1-33-8~~) that are:

- 30 (1) offered by a communications service provider; and
- 31 (2) available to the customer.
- 32 (b) A unit that wishes to be certified as a broadband ready
- 33 community must establish a procedure to promote broadband adoption
- 34 in the unit after the unit is certified as a broadband ready community.
- 35 The procedure must include the following:
 - 36 (1) A single point of contact in charge of broadband adoption in
 - 37 the unit.
 - 38 (2) An assurance that each communications service provider that
 - 39 already provides broadband services in the unit will be notified
 - 40 that the unit is applying to be a broadband ready community.
 - 41 (3) An assurance that the unit will work with communications
 - 42 service providers to promote broadband adoption in the unit.



1 (c) A procedure established under subsection (b) may not do the
 2 following:

3 (1) Discriminate among communications service providers with
 4 respect to promoting broadband adoption in the unit.

5 (2) Impose a fee on communications service providers to fund
 6 promotion of broadband adoption in the unit.

7 SECTION 48. IC 5-28-30-1 IS REPEALED [EFFECTIVE JULY 1,
 8 2018]. ~~Sec. 4. As used in this chapter, "broadband development~~
 9 ~~project" means a project authorized by the broadband development~~
 10 ~~program under IC 8-1-33.~~

11 SECTION 49. IC 5-28-30-5, AS ADDED BY P.L.162-2007,
 12 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2018]: Sec. 5. As used in this chapter, "industrial development
 14 project" includes the acquisition of land, interests in land, site
 15 improvements, infrastructure improvements (including information and
 16 high technology infrastructure (as defined in IC 5-28-9-4)), buildings,
 17 or structures, rehabilitation, renovation, and enlargement of buildings
 18 and structures, machinery, equipment, furnishings, or facilities (or any
 19 combination of these), comprising or being functionally related and
 20 subordinate to any of the following:

- 21 ~~(1)~~ A pollution control facility (as defined in IC 4-4-10.9-24).
- 22 ~~(2)~~ (1) A manufacturing enterprise.
- 23 ~~(3)~~ (2) A business service enterprise involved in:
- 24 (A) computer and data processing services; or
- 25 (B) commercial testing services.
- 26 ~~(4)~~ (3) A business enterprise the primary purpose of which is the
- 27 operation of an education and permanent marketing center for
- 28 manufacturers and distributors of robotic and flexible automation
- 29 equipment.
- 30 ~~(5)~~ (4) Any other business enterprise, if the use of the guaranty
- 31 program creates a reasonable probability that the effect on Indiana
- 32 employment will be creation or retention of at least fifty (50) jobs.
- 33 ~~(6)~~ (5) An agricultural enterprise in which:
- 34 (A) the enterprise operates under a producer or growout
- 35 agreement; and
- 36 (B) the output of the enterprise is processed predominantly in
- 37 Indiana.
- 38 ~~(7)~~ (6) A business enterprise that is required by a state, federal, or
- 39 local regulatory agency to make capital expenditures to remedy a
- 40 violation of a state or federal law or a local ordinance.
- 41 ~~(8)~~ (7) A recycling market development project.
- 42 ~~(9)~~ (8) A high growth company with high skilled jobs.



1 ~~(10) A broadband development project.~~

2 SECTION 50. IC 5-28-30-7, AS ADDED BY P.L.162-2007,
3 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2018]: Sec. 7. As used in this chapter, "mortgage" means a
5 mortgage on an industrial development project, mining operation, or
6 agricultural operation that involves the processing of agricultural
7 products, or the unpaid purchase price of real estate under the laws of
8 this state, together with the credit instruments, if any, secured thereby,
9 including but not limited to a financing agreement as defined in
10 ~~IC 4-4-10-9-8~~ **IC 5-1.2-2** or a financing agreement within the meaning
11 of IC 36-7-12 in connection with real property.

12 SECTION 51. IC 5-28-30-9, AS ADDED BY P.L.162-2007,
13 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2018]: Sec. 9. There is created an industrial development
15 project guaranty fund which shall be used by the corporation as a
16 nonlapsing, revolving fund for carrying out the provisions of the
17 guaranty program. The corporation may expend money from the
18 guaranty fund as the authority considers appropriate to carry out the
19 purposes of this chapter and ~~IC 4-4-11~~ **IC 5-1.2-9**. The guaranty fund
20 consists of the money, if any, appropriated by the general assembly. To
21 this sum shall be charged those expenses of the corporation attributable
22 and allocated by the corporation to the guaranty program, including
23 interest, principal, and lease payments required by loan or lease
24 defaults under the guaranty program, and to the sum shall be credited
25 that income of the corporation attributable and allocated by the
26 corporation to the guaranty program, including guarantee premiums.

27 SECTION 52. IC 5-28-30-11, AS ADDED BY P.L.162-2007,
28 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2018]: Sec. 11. The conditions referred to in section 10 of this
30 chapter are as follows:

31 (1) A new or additional guarantee of a loan or lease under section
32 10, 12, or 17 of this chapter may not be entered into if the
33 guarantee would cause the outstanding total guarantee obligations
34 with respect to all loans and leases guaranteed under sections 10,
35 12, and 17 of this chapter to exceed eight (8) times the amount of
36 money in the guaranty fund.

37 (2) The amount of all guarantees by the corporation of loans or
38 leases to or for the benefit of any single industrial development
39 project, mining operation, or agricultural operation that involves
40 the processing of agricultural products may not exceed two
41 million dollars (\$2,000,000), less the outstanding total principal
42 balance under any loans made and owed to the corporation under



- 1 section 17 of this chapter to or for the benefit of the project or
- 2 operation.
- 3 (3) A guarantee of either a loan secured by real estate or a real
- 4 estate lease may not exceed ninety percent (90%) of the unpaid
- 5 principal balance of the loan from time to time outstanding or
- 6 ninety percent (90%) of the amount of any lease payment, as
- 7 applicable, or ninety percent (90%) of the appraised fair market
- 8 value of the real estate, whichever is less.
- 9 (4) A guarantee of a loan secured by personal property or of a
- 10 personal property lease may not exceed seventy-five percent
- 11 (75%) of the unpaid principal balance of the loan from time to
- 12 time outstanding or seventy-five percent (75%) of the amount of
- 13 any lease payment, as applicable, or seventy-five percent (75%)
- 14 of the fair market value of the personal property, whichever is
- 15 less.
- 16 (5) A guarantee involving both real estate and personal property
- 17 may not exceed the percentage proportionate to each type of
- 18 property.
- 19 (6) To be eligible for a guarantee under section 10 of this chapter,
- 20 a loan or lease must:
- 21 (A) be one that is to be made to and held by a lender or lessor
- 22 approved by the corporation as responsible and able to service
- 23 the loan or lease properly;
- 24 (B) involve a principal obligation or lease payments, as
- 25 applicable, which may include initial service charges and
- 26 appraisal, inspection, and other fees approved by the
- 27 corporation;
- 28 (C) have a maturity or term satisfactory to the corporation but
- 29 in no case later than twenty (20) years from the date of the
- 30 guarantee;
- 31 (D) contain payment terms satisfactory to the corporation
- 32 requiring periodic payments by the developer or user, including
- 33 principal and interest payments, cost of local property taxes and
- 34 assessments, land lease rentals, if any, insurance on the
- 35 property, as applicable, and any guarantee premiums required
- 36 by the corporation; and
- 37 (E) contain any terms and provisions with respect to property
- 38 insurance, repairs, alterations, payment of taxes and
- 39 assessments, default reserves, delinquency charges, default
- 40 remedies, anticipation of maturity, additional and secondary
- 41 liens, and other matters that the corporation may prescribe.
- 42 **(7) The proposed guarantee or direct loan has been submitted**



1 **to the budget agency. The budget agency shall verify whether**
 2 **money is available for the proposal and that the proposal is in**
 3 **compliance with this chapter. The budget agency may submit**
 4 **the proposal, with its comments, to the budget committee for**
 5 **review. The corporation may not approve a guarantee or**
 6 **direct loan until the budget committee has reviewed the**
 7 **guarantee or direct loan.**

8 SECTION 53. IC 5-28-30-16, AS ADDED BY P.L.162-2007,
 9 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2018]: Sec. 16. To further the purposes of this chapter, and
 11 subject to this chapter, the corporation may also use any part of the
 12 guaranty fund to guarantee any bonds issued by the Indiana finance
 13 authority under ~~IC 4-4-11~~ **IC 5-1.2** or by any authorized issuer under
 14 IC 36-7-12. With regard to direct obligations of the authority that are
 15 guaranteed by the corporation, the corporation may permit a
 16 subordination of any:

- 17 (1) security agreement;
- 18 (2) mortgage;
- 19 (3) combination of security agreements and mortgages; or
- 20 (4) other appropriate documents securing the direct obligations;

21 if the corporation in its discretion determines that the subordination is
 22 reasonably necessary to accomplish the objectives of the industrial
 23 development project undertaken by the authority.

24 SECTION 54. IC 5-28-30-20, AS ADDED BY P.L.162-2007,
 25 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2018]: Sec. 20. To further the purposes of this chapter and
 27 ~~IC 4-4-11~~, **IC 5-1.2-9**, and in addition to the corporation's other powers
 28 under this chapter, the corporation may transfer funds from the
 29 guaranty fund to the capital access account established under
 30 IC 5-28-29-35.

31 SECTION 55. IC 5-28-31 IS REPEALED [EFFECTIVE JULY 1,
 32 2018]. (Agricultural Loan and Rural Development Project Guarantee
 33 Fund).

34 SECTION 56. IC 5-28-33-8 IS REPEALED [EFFECTIVE JULY 1,
 35 2018]. ~~Sec. 8: In implementing this chapter, the corporation shall~~
 36 ~~consult with the Indiana finance authority to avoid unnecessary~~
 37 ~~duplication of efforts under this chapter and IC 8-1-33.~~

38 SECTION 57. IC 6-1.1-39-1.6 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1.6. As used in this
 40 chapter, "qualified industrial development project" means an **industrial**
 41 **economic** development project (as defined in ~~IC 4-4-10.9-11(a)~~
 42 **IC 5-1.2-2**) that has a cost of the project (as defined in ~~IC 4-4-10.9-5~~)



1 **IC 5-1.2-2** greater than one hundred million dollars (\$100,000,000).
 2 SECTION 58. IC 6-3.1-29-20.7, AS ADDED BY P.L.182-2009(ss),
 3 SECTION 204, IS AMENDED TO READ AS FOLLOWS
 4 [EFFECTIVE JULY 1, 2018]: Sec. 20.7. (a) The findings in
 5 IC 4-4-11.6-12 (**before its repeal**) are incorporated by reference into
 6 this section. The general assembly further finds that the refundable
 7 credit provided by this section is also necessary to achieve the purposes
 8 set forth in IC 4-4-11.6-12 (**before its repeal**).

9 (b) This section applies to a taxpayer that:

10 (1) makes a qualified investment in an integrated coal gasification
 11 powerplant; and

12 (2) ~~enters entered~~ into a contract to sell substitute natural gas (as
 13 defined in IC 4-4-11.6-11) (**before its repeal**) to the Indiana
 14 finance authority under IC 4-4-11.6 (**before its repeal**).

15 (c) Notwithstanding anything in this chapter to the contrary, a
 16 taxpayer may elect in the manner prescribed by the department to take
 17 and receive all credits to which the taxpayer is entitled under section
 18 15 of this chapter (without regard to section 16 of this chapter) as a
 19 refundable credit against the taxpayer's state tax liability, if any, over
 20 a period of twenty (20) taxable years, beginning not later than the
 21 taxable year in which the taxpayer places into service its integrated coal
 22 gasification powerplant. If, in a taxable year, a taxpayer that makes an
 23 election under this subsection has no state tax liability, the department
 24 shall pay to the taxpayer the full amount of the refundable credit for
 25 that taxable year.

26 (d) The amount of a credit to which a taxpayer that makes an
 27 election under subsection (c) is entitled for a particular taxable year
 28 equals the result determined under STEP FOUR:

29 STEP ONE: Determine the total credit amount to which the
 30 taxpayer is entitled under section 15 of this chapter (without
 31 regard to section 16 of this chapter).

32 STEP TWO: Divide the STEP ONE amount by twenty (20).

33 STEP THREE: Determine the ratio of Indiana coal to total coal
 34 used in the taxpayer's integrated coal gasification powerplant in
 35 the taxable year.

36 STEP FOUR: Multiply the STEP TWO and STEP THREE
 37 amounts.

38 (e) A taxpayer shall claim a refund under this section in the manner
 39 provided by the department. The department shall pay the refunded
 40 amount to the taxpayer not more than ninety (90) days after the date on
 41 which the refund is claimed.

42 (f) The shareholders, members, or partners of a pass through entity



1 that makes an election under subsection (c) are not entitled to a credit
2 allowed under section 20(b) of this chapter.

3 (g) A credit allowed under this section is not assignable under
4 section 20.5 of this chapter.

5 SECTION 59. IC 6-3.6-11-6, AS AMENDED BY P.L.248-2017,
6 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 UPON PASSAGE]: Sec. 6. (a) This section applies to Lake County,
8 LaPorte County, Porter County, and any municipality in those counties
9 that is a member of the northwest Indiana regional development
10 authority (IC 36-7.5) for purposes of categorizations, allocations, and
11 distributions of additional revenue that is allocated each year for
12 economic development purposes under IC 6-3.6-6-9.

13 (b) This subsection applies only to Lake County. The county or a
14 city described in IC 36-7.5-2-3(b) may use additional revenue that is
15 allocated each year for economic development purposes under
16 IC 6-3.6-6-9 for making transfers required by IC 36-7.5-4-2 or to
17 provide rail project funding under IC 36-7.5-4.5. **The additional
18 revenue allocated for economic development and used to make the
19 transfers required by IC 36-7.5-4-2 or to provide rail project
20 funding shall be paid by the treasurer of state to the treasurer of
21 the northwest Indiana regional development authority before
22 certified distributions are made to the county or any cities or towns
23 in the county.** The county or a city or town in the county may use
24 additional revenue that is allocated each year for economic
25 development purposes under IC 6-3.6-6-9 to provide homestead credits
26 in the county, city, or town. The following apply to homestead credits
27 provided under this subsection:

28 (1) The county, city, or town fiscal body must adopt an ordinance
29 authorizing the homestead credits. The ordinance must specify the
30 amount of additional revenue that will be used to provide
31 homestead credits in the following year.

32 (2) The county, city, or town fiscal body that adopts an ordinance
33 under this subsection must forward a copy of the ordinance to the
34 county auditor and the department of local government finance
35 not more than thirty (30) days after the ordinance is adopted.

36 (3) The homestead credits must be applied uniformly to provide
37 a homestead credit for homesteads in the county, city, or town.

38 (4) The homestead credits shall be treated for all purposes as
39 property tax levies.

40 (5) The homestead credits shall be applied to the net property
41 taxes due on the homestead after the application of all other
42 assessed value deductions or property tax deductions and credits



1 that apply to the amount owed under IC 6-1.1.
 2 (6) The auditor of state shall determine the homestead credit
 3 percentage for a particular year based on the amount of additional
 4 revenue that will be used under this subsection to provide
 5 homestead credits in that year.
 6 (c) This subsection applies only to LaPorte County as follows:
 7 (1) This subsection applies if:
 8 (A) the county fiscal body has adopted an ordinance under
 9 IC 36-7.5-2-3(e) providing that the county is joining the
 10 northwest Indiana regional development authority; and
 11 (B) the fiscal body of the city described in IC 36-7.5-2-3(e) has
 12 adopted an ordinance under IC 36-7.5-2-3(e) providing that the
 13 city is joining the development authority.
 14 (2) Additional revenue that is allocated each year for economic
 15 development purposes under IC 6-3.6-6-9 may be used by a
 16 county or a city described in IC 36-7.5-2-3(e) for making transfers
 17 required by IC 36-7.5-4-2. In addition, if the allocation of
 18 additional revenue for economic development purposes under
 19 IC 6-3.6-6-9 is increased in the county, the first three million five
 20 hundred thousand dollars (\$3,500,000) of the tax revenue that
 21 results each year from the allocation increase shall be used by the
 22 county only to make the county's transfer required by
 23 IC 36-7.5-4-2 and shall be paid by the ~~county~~ **county** treasurer **of state** to
 24 the treasurer of the northwest Indiana regional development
 25 authority under IC 36-7.5-4-2 before certified distributions are
 26 made to the county or any cities or towns in the county.
 27 (3) All of the additional revenue allocated for economic
 28 development purposes under IC 6-3.6-6-9 that results each year
 29 from an allocation increase described in subdivision (2) and that
 30 is in excess of the first three million five hundred thousand dollars
 31 (\$3,500,000) must be used by the county and cities and towns in
 32 the county for homestead credits under this subsection. The
 33 following apply to homestead credits provided under this
 34 subsection:
 35 (A) The homestead credits must be applied uniformly to
 36 provide a homestead credit for homesteads in the county, city,
 37 or town.
 38 (B) The homestead credits shall be treated for all purposes as
 39 property tax levies.
 40 (C) The homestead credits shall be applied to the net property
 41 taxes due on the homestead after the application of all other
 42 assessed value deductions or property tax deductions and



1 credits that apply to the amount owed under IC 6-1.1.

2 (D) The auditor of state shall determine the homestead credit
3 percentage for a particular year based on the amount of
4 additional revenue that will be used under this subdivision to
5 provide homestead credits in that year.

6 (d) This subsection applies only to Porter County. The additional
7 revenue designated each year for economic development purposes
8 under IC 6-3.6-6 shall be allocated and used as follows:

9 (1) First, the revenue attributable to an income tax rate of
10 twenty-five hundredths percent (0.25%) shall be allocated to the
11 county and cities and towns as provided in IC 6-3.6-6-9.

12 (2) Second, the next three million five hundred thousand dollars
13 (\$3,500,000) of the revenue shall be used for the county or for
14 eligible municipalities (as defined in IC 36-7.5-1-11.3) in the
15 county, to make transfers as provided in and required under
16 IC 36-7.5-4-2. ~~This amount shall be paid by the county treasurer~~
17 ~~to the treasurer of the northwest Indiana regional development~~
18 ~~authority under IC 36-7.5-4-2. The additional revenue used to~~
19 ~~make the transfers as provided in IC 36-7.5-4-2 shall be paid~~
20 ~~by the treasurer of state to the treasurer of the northwest~~
21 ~~Indiana regional development authority before certified~~
22 ~~distributions are made to the county or any taxing unit in the~~
23 ~~county.~~ If Porter County ceases to be a member of the northwest
24 Indiana regional development authority under IC 36-7.5 but two
25 (2) or more municipalities in the county have become members
26 of the northwest Indiana regional development authority as
27 authorized by IC 36-7.5-2-3(i), the ~~county~~ treasurer **of state** shall
28 continue to transfer this amount to the treasurer of the northwest
29 Indiana regional development authority under IC 36-7.5-4-2.

30 (3) Third, except as provided in IC 36-7.5-3-5, all of the revenue
31 each year that is in excess of the amounts described in
32 subdivisions (1) and (2) must be used by the county and cities and
33 towns in the county for homestead credits. The following apply to
34 homestead credits provided under this subdivision:

35 (A) The homestead credits must be applied uniformly to
36 provide a homestead credit for homesteads in the county, city,
37 or town.

38 (B) The homestead credits shall be treated for all purposes as
39 property tax levies.

40 (C) The homestead credits shall be applied to the net property
41 taxes due on the homestead after the application of all other
42 assessed value deductions or property tax deductions and



1 credits that apply to the amount owed under IC 6-1.1.

2 (D) The auditor of state shall determine the homestead credit
3 percentage for a particular year based on the amount of
4 additional revenue that will be used under this subdivision to
5 provide homestead credits in that year.

6 **(e) A transfer made on behalf of a city, town, or county under
7 this section after December 31, 2018, is to be considered a payment
8 for services provided to residents by a rail project as those services
9 are rendered.**

10 **(f) A pledge by the northwest Indiana regional development
11 authority of transferred revenue under this section to the payment
12 of bonds, leases, or obligations under this article or IC 5-1.3:**

13 **(1) constitutes the obligations of the northwest Indiana
14 regional development authority; and**

15 **(2) does not constitute an indebtedness of:**

16 **(A) a county or municipality described in this section; or**

17 **(B) the state;**

18 **within the meaning or application of any constitutional or
19 statutory provision or limitation.**

20 **(g) Neither the transfer of revenue nor the pledge of revenue
21 transferred under this section is an impairment of contract within
22 the meaning or application of any constitutional provision or
23 limitation because of the following:**

24 **(1) The statutes governing local income taxes, including the
25 transferred revenue, have been the subject of legislation
26 annually since 1973, and during that time the statutes have
27 been revised, amended, expanded, limited, and recodified
28 dozens of times.**

29 **(2) Owners of bonds, leases, or other obligations to which
30 local income tax revenues have been pledged recognize that
31 the regulation of local income taxes has been extensive and
32 consistent.**

33 **(3) All bonds, leases, or other obligations, due to their
34 essential contractual nature, are subject to relevant state and
35 federal law that is enacted after the date of a contract.**

36 **(4) The state has a legitimate interest in assisting the
37 northwest Indiana regional development authority in
38 financing rail projects (as defined in IC 36-7.5-1-13.5).**

39 **(h) All proceedings had and actions described in this section are
40 hereby legalized and declared valid if taken before March 15, 2018.**

41 SECTION 60. IC 6-3.6-11-7 IS ADDED TO THE INDIANA CODE
42 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE



1 UPON PASSAGE]: Sec. 7. (a) This section applies to a civil taxing
2 unit that has previously:

- 3 (1) entered into an interlocal cooperation or similar
4 agreement;
5 (2) adopted an ordinance or resolution; or
6 (3) taken any other action;

7 offering to provide revenue from the unit's economic development
8 allocation to support and finance a rail project or rail projects (as
9 defined under IC 36-7.5-1-13.5).

10 (b) The civil taxing unit may use additional revenue that is
11 allocated each year for economic development purposes under
12 IC 6-3.6-6-9 to provide funding for a rail project. The additional
13 revenue allocated for economic development to provide funding for
14 a rail project shall be paid by the treasurer of state to the treasurer
15 of the northwest Indiana regional development authority under
16 IC 36-7.5-4-2 before certified distributions are made to the county
17 or any civil taxing unit in the county or counties in which the unit
18 is located.

19 (c) A transfer made on behalf of a civil taxing unit under this
20 section after December 31, 2018, is considered to be a payment for
21 services provided to residents by a rail project as such services are
22 rendered.

23 (d) A pledge by the northwest Indiana regional development
24 authority of transferred revenue under this section to the payment
25 of bonds, leases, or obligations under this article or IC 5-1.3:

- 26 (1) constitutes the obligations of the northwest Indiana
27 regional development authority; and
28 (2) does not constitute an indebtedness of:
29 (A) a unit described in this section; or
30 (B) the state;

31 within the meaning or application of any constitutional or
32 statutory provision or limitation.

33 (e) Neither the transfer of revenue nor the pledge of revenue
34 transferred under this section is an impairment of contract within
35 the meaning or application of any constitutional provision or
36 limitation because of the following:

37 (1) The statutes governing local income taxes, including the
38 transferred revenue, have been the subject of legislation
39 annually since 1973, and during that time the statutes have
40 been revised, amended, expanded, limited, and recodified
41 dozens of times.

42 (2) Owners of bonds, leases, or other obligations to which



- 1 **local income tax revenues have been pledged recognize that**
- 2 **the regulation of local income taxes has been extensive and**
- 3 **consistent.**
- 4 **(3) All bonds, leases, or other obligations, due to their**
- 5 **essential contractual nature, are subject to relevant state and**
- 6 **federal law that is enacted after the date of a contract.**
- 7 **(4) The state has a legitimate interest in assisting the**
- 8 **northwest Indiana regional development authority in**
- 9 **financing rail projects (as defined in IC 36-7.5-1-13.5).**
- 10 **(f) All proceedings had and actions described in this section are**
- 11 **hereby legalized and declared valid if taken before March 15, 2018.**
- 12 SECTION 61. IC 6-9-7-7, AS AMENDED BY P.L.6-2012,
- 13 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 14 JULY 1, 2018]: Sec. 7. (a) The county treasurer shall establish an
- 15 innkeeper's tax fund. The treasurer shall deposit in that fund all money
- 16 received under section 6 of this chapter that is attributable to an
- 17 innkeeper's tax rate that is not more than five percent (5%).
- 18 (b) Money in the innkeeper's tax fund shall be distributed as
- 19 follows:
- 20 (1) Thirty percent (30%) shall be distributed as follows:
- 21 (A) Before July 1, 2015, and after June 30, 2017, to the
- 22 department of natural resources for the development of projects
- 23 in the state park on the county's largest river, including its
- 24 tributaries.
- 25 (B) For the period July 1, 2015, through June 30, 2017, to the
- 26 treasurer of state for deposit in the state general fund.
- 27 (2) Forty percent (40%) shall be distributed to the commission to
- 28 carry out its purposes, including making any distributions or
- 29 payments to the Lafayette - West Lafayette Convention and
- 30 Visitors Bureau, Inc.
- 31 (3) Ten percent (10%) shall be distributed to a community
- 32 development corporation that serves a metropolitan area in the
- 33 county that includes:
- 34 (A) a city having a population of more than sixty-five thousand
- 35 (65,000) but less than seventy thousand (70,000); and
- 36 (B) a city having a population of more than twenty-nine
- 37 thousand five hundred (29,500) but less than twenty-nine
- 38 thousand six hundred (29,600);
- 39 for the community development corporation's use in tourism,
- 40 recreation, and economic development activities.
- 41 (4) Ten percent (10%) shall be distributed to Historic
- 42 Prophetstown to be used by Historic Prophetstown for carrying



- 1 out its purposes.
- 2 (5) Ten percent (10%) shall be distributed to the Wabash River
- 3 Enhancement Corporation to assist the Wabash River
- 4 Enhancement Corporation in carrying out its purposes.
- 5 (c) An advisory commission consisting of the following members is
- 6 established:
- 7 (1) The director of the department of natural resources or the
- 8 director's designee.
- 9 (2) The public finance director or the public finance director's
- 10 designee.
- 11 (3) A member appointed by the Native American Indian affairs
- 12 commission.
- 13 (4) A member appointed by Historic Prophetstown.
- 14 (5) A member appointed by the community development
- 15 corporation described in subsection (b)(3).
- 16 (6) A member appointed by the Wabash River Enhancement
- 17 Corporation.
- 18 (7) A member appointed by the commission.
- 19 (8) A member appointed by the county fiscal body.
- 20 (9) A member appointed by the town board of the town of
- 21 Battleground.
- 22 (10) A member appointed by the mayor of the city of Lafayette.
- 23 (11) A member appointed by the mayor of the city of West
- 24 Lafayette.
- 25 (d) The following apply to the advisory commission:
- 26 (1) The governor shall appoint a member of the advisory
- 27 commission as chairman of the advisory commission.
- 28 (2) Six (6) members of the advisory commission constitute a
- 29 quorum. The affirmative votes of at least six (6) advisory
- 30 commission members are necessary for the advisory commission
- 31 to take official action other than to adjourn or to meet to hear
- 32 reports or testimony.
- 33 (3) The advisory commission shall make recommendations
- 34 concerning the use of any proceeds of bonds issued to finance the
- 35 development of Prophetstown State Park.
- 36 (4) Members of the advisory commission who are state
- 37 employees:
- 38 (A) are not entitled to any salary per diem; and
- 39 (B) are entitled to reimbursement for traveling expenses as
- 40 provided under IC 4-13-1-4 and to reimbursement for other
- 41 expenses actually incurred in connection with the member's
- 42 duties as provided in the state policies and procedures



1 established by the Indiana department of administration and
2 approved by the budget agency.

3 (e) The Indiana finance authority ~~in its capacity as the recreational~~
4 ~~development commission~~, may issue bonds for the development of
5 Prophetstown State Park under ~~IC 14-14-1~~. **IC 5-1.2-6.**

6 SECTION 62. IC 6-9-36-8, AS ADDED BY P.L.214-2005,
7 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 UPON PASSAGE]: Sec. 8. (a) The entire amount received from the
9 taxes imposed by a county under this chapter shall be paid monthly by
10 the treasurer of state to the treasurer of the northwest Indiana regional
11 development authority established by IC 36-7.5-2-1.

12 (b) The taxes paid to the treasurer of the development authority
13 under this section shall be deposited in the development authority
14 **revenue** fund established under IC 36-7.5-4-1.

15 SECTION 63. IC 8-1-29.5-7, AS AMENDED BY P.L.162-2007,
16 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2018]: Sec. 7. (a) In imposing a civil penalty under section
18 6(b)(4) of this chapter, the commission may consider the following
19 factors:

20 (1) The duration and gravity of the offense, including the number
21 of customers affected.

22 (2) Economic benefits accrued by the provider or certificate
23 holder as a result of the offense.

24 (3) The amount of a civil penalty that will deter future offenses by
25 the provider or certificate holder.

26 (4) The market share of the provider or certificate holder in the
27 affected service areas.

28 (5) Good faith of the provider or certificate holder in attempting
29 to remedy the offense after receiving notification of the offense.

30 (b) If the commission waives a civil penalty for any offense
31 described in section 6(b)(4) of this chapter, the commission must make
32 a written finding as to why it is waiving the civil penalty. The
33 commission may waive a civil penalty under section 6(b)(4) of this
34 chapter if the commission finds that the offense is the result of any of
35 the following:

36 (1) Technological infeasibility.

37 (2) An act of God.

38 (3) A defect in, or prohibited use of, customer provided
39 equipment.

40 (4) A negligent act of a customer.

41 (5) An emergency situation.

42 (6) Unavoidable casualty.



1 (c) The secretary of the commission shall direct a civil penalty
2 imposed and collected under section 6(b)(4) of this chapter as follows:

3 (1) A civil penalty imposed for an offense that directly affects
4 retail customers must be refunded directly to the customers of the
5 provider or certificate holder in the form of credits on customer
6 bills.

7 (2) A civil penalty imposed for an offense not described in
8 subdivision (1) must be deposited into an account designated by
9 the Indiana economic development corporation for use by the
10 corporation in making loans or grants to broadband developers
11 and operators. ~~under the Indiana broadband development program~~
12 ~~established by IC 8-1-33-15.~~

13 SECTION 64. IC 8-1-30.7-2, AS ADDED BY P.L.102-2016,
14 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2018]: Sec. 2. As used in this chapter, "authority" refers to the
16 Indiana finance authority established by ~~IC 4-4-11-4.~~ **IC 5-1.2-3.**

17 SECTION 65. IC 8-1-30.7-7, AS AMENDED BY P.L.233-2017,
18 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JULY 1, 2018]: Sec. 7. As used in this chapter, "water related state
20 agency" means any of the following:

21 (1) The Indiana finance authority established by ~~IC 4-4-11-~~
22 **IC 5-1.2-3.**

23 (2) The department of administration created by IC 4-13-1-2.

24 (3) The commission.

25 (4) The office of utility consumer counselor created by
26 IC 8-1-1.1-2.

27 (5) The department of environmental management established by
28 IC 13-13-1-1.

29 (6) The department of natural resources created by IC 14-9-1-1.

30 (7) The state department of health established by IC 16-19-1-1.

31 (8) The Indiana geological and water survey established as a part
32 of Indiana University by IC 21-47-2.

33 (9) The Indiana Water Resource Research Center of Purdue
34 University.

35 (10) The state department of agriculture established by
36 IC 15-11-2-1.

37 SECTION 66. IC 8-1-33 IS REPEALED [EFFECTIVE JULY 1,
38 2018]. (Indiana Broadband Development Program).

39 SECTION 67. IC 8-9.5-8-1, AS AMENDED BY P.L.235-2005,
40 SECTION 106, IS AMENDED TO READ AS FOLLOWS
41 [EFFECTIVE JULY 1, 2018]: Sec. 1. As used in this chapter:

42 "Authority" refers to the Indiana finance authority established ~~under~~



1 ~~IC 4-4-11~~ by **IC 5-1.2-3**.
 2 "Department" refers to the Indiana department of transportation
 3 established under IC 8-23-2.
 4 "Toll bridge" means a bridge with approaches, avenues of access,
 5 fills, causeways, and connecting bridges or ferries under IC 8-16-1.
 6 "Toll road project" has the meaning specified in IC 8-15-2-4(4).
 7 SECTION 68. IC 8-9.5-9-2, AS AMENDED BY P.L.162-2007,
 8 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2018]: Sec. 2. As used in this chapter, "authority" means:
 10 (1) an authority or agency established under IC 8-1-2.2 or
 11 IC 8-9.5 through IC 8-23;
 12 (2) when acting under ~~an affected~~ **a referenced** statute (as
 13 defined in ~~IC 4-4-10.9-1.2~~; **IC 5-1.2-2**), the Indiana finance
 14 authority established by ~~IC 4-4-11~~; **IC 5-1.2-3**;
 15 (3) only in connection with a program established under
 16 ~~IC 13-18-13 or IC 13-18-21~~; **IC 5-1.2-10**, the bank established
 17 under IC 5-1.5;
 18 (4) a fund or program established under ~~IC 13-18-13 or~~
 19 ~~IC 13-18-21~~; **IC 5-1.2-10**;
 20 (5) the Indiana housing and community development authority
 21 established by IC 5-20-1;
 22 (6) the authority established under ~~IC 4-4-11~~; **IC 5-1.2-3**; or
 23 (7) the authority established under IC 5-1-17.
 24 SECTION 69. IC 8-9.5-9-8 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 8. (a) With respect to
 26 all leases and contracts entered into by the authority with the Indiana
 27 department of transportation, the Indiana department of administration,
 28 a fund or program established under ~~IC 13-18-13 or IC 13-18-21~~;
 29 **IC 5-1.2-10**, or any other entity to support obligations, the lease or
 30 contract may provide that payments under a swap agreement are treated
 31 as a debt service on the obligations or as additional rental or other
 32 payment due under the lease or contract as the authority may
 33 determine.
 34 (b) The authority may determine that payments under a swap
 35 agreement may be integrated with payments on obligations for the
 36 purpose of meeting any statutory requirements related to the issuance
 37 of obligations.
 38 SECTION 70. IC 8-10-1-13, AS AMENDED BY P.L.98-2008,
 39 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2018]: Sec. 13. (a) Subject to the approval of the governor, the
 41 ports of Indiana is hereby authorized to provide by resolution of the
 42 commission, at one (1) time or from time to time, for the issuance of



1 revenue bonds of the state for the purpose of paying all or any part of
2 the cost of a port or project under this chapter or IC 8-10-4. The
3 principal of and the interest on such bonds shall be payable solely from
4 the revenues specifically pledged to the payment thereof. The bonds of
5 each issue shall be dated, shall bear interest at any rate, shall mature at
6 such time or times not exceeding thirty-five (35) years from the date
7 thereof, as may be determined by the ports of Indiana, and may be
8 made redeemable before maturity, at the option of the ports of Indiana,
9 at such price or prices and under such terms and conditions as may be
10 fixed by the ports of Indiana in the authorizing resolution.

11 (b) The ports of Indiana shall determine the form of the bonds,
12 including any interest coupons to be attached thereto, and shall fix the
13 denomination or denominations of the bonds and the place or places of
14 payment of principal and interest which may be at any bank or trust
15 company within or without the state.

16 (c) The bonds shall be signed in the name of the ports of Indiana by
17 the chairman or vice chairman of the commission or chief executive of
18 the ports of Indiana, or by the facsimile signature of the chairman or
19 vice chairman of the commission or chief executive of the ports of
20 Indiana and the official seal of the ports of Indiana or facsimile thereof,
21 shall be affixed thereto and attested by the secretary-treasurer of the
22 commission, and any coupons attached thereto shall bear the facsimile
23 signature of the chairman of the commission. In case any officer whose
24 signature or a facsimile of whose signature shall appear on any bonds
25 or coupons shall cease to be such officer before the delivery of such
26 bonds, such signature or such facsimile shall nevertheless be valid and
27 sufficient for all purposes the same as if the officer had remained in
28 office until such delivery.

29 (d) All bonds issued under this article shall have and are hereby
30 declared to have all the qualities and incidents of negotiable
31 instruments under the negotiable instruments law of the state of
32 Indiana.

33 (e) The bonds may be issued in coupon or in registered form, or
34 both, as the ports of Indiana may determine, and provision may be
35 made for the registration of any coupon bonds as to principal alone and
36 also as to both principal and interest, and for the reconversion into
37 coupon bonds of any bonds registered as to both principal and interest.

38 (f) The bonds shall be sold at public sale in accordance with
39 IC 21-32-3, except as provided in IC 8-10-4.

40 (g) No action to contest the validity of any bonds issued by the ports
41 of Indiana under this article shall be commenced more than thirty (30)
42 days following the adoption of the resolution approving the bonds as



1 provided in this article.

2 (h) The ports of Indiana shall cooperate with and use the assistance
3 of the Indiana finance authority established ~~under IC 4-4-11~~ by
4 **IC 5-1.2-3** in the issuance of the bonds under this chapter or IC 8-10-4.

5 SECTION 71. IC 8-14-14-1, AS ADDED BY P.L.47-2006,
6 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2018]: Sec. 1. As used in this chapter, "authority" refers to the
8 Indiana finance authority established by ~~IC 4-4-11-4~~ **IC 5-1.2-3**.

9 SECTION 72. IC 8-14-14-6, AS ADDED BY P.L.47-2006,
10 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 UPON PASSAGE]: Sec. 6. (a) If the authority enters into a
12 public-private agreement concerning the Indiana Toll Road under
13 IC 8-15.5, the auditor of state shall make the following distributions
14 from the fund for the indicated purposes:

15 (1) One hundred fifty million dollars (\$150,000,000) to the
16 treasurer of state for deposit in the motor vehicle highway account
17 established by IC 8-14-1. Notwithstanding IC 8-14-1, on or before
18 October 15, 2006, and on or before October 15, 2007, the auditor
19 of state shall distribute seventy-five million dollars (\$75,000,000)
20 of the money deposited in the motor vehicle highway account
21 under this subdivision to each of the counties, cities, and towns
22 eligible to receive a distribution from the motor vehicle highway
23 account under IC 8-14-1 and in the same proportion among the
24 counties, cities, and towns as funds are distributed from the motor
25 vehicle highway account under IC 8-14-1. The auditor of state:

26 (A) shall make the distributions required by this subdivision
27 separately from distributions required by IC 8-14-1; and

28 (B) may not combine the distributions required by this
29 subdivision with distributions required by IC 8-14-1.

30 Money distributed under this subdivision may be used only for
31 purposes that money distributed from the motor vehicle highway
32 account may be expended under IC 8-14-1.

33 (2) The following amounts to the northwest Indiana regional
34 development authority for deposit in the development authority
35 **revenue** fund established under IC 36-7.5-4-1:

36 (A) Forty million dollars (\$40,000,000) during the state fiscal
37 year beginning July 1, 2006. During the state fiscal year
38 beginning July 1, 2006, the regional development authority
39 must pay at least twenty million dollars (\$20,000,000) of the
40 distribution received under this clause to an airport authority
41 that is carrying out an airport expansion project described in
42 IC 36-7.5-2-1(2).



- 1 (B) Eighty million dollars (\$80,000,000) to be distributed in
 2 installments of ten million dollars (\$10,000,000) during the
 3 state fiscal year beginning July 1, 2007, and each of the seven
 4 (7) state fiscal years thereafter.
- 5 However, no distributions may be made under clause (B) until the
 6 development authority's comprehensive strategic development
 7 plan prepared under IC 36-7.5-3-4 has been reviewed by the
 8 budget committee and approved by the director of the office of
 9 management and budget. In addition, no distributions may be
 10 made under clause (B) during the state fiscal years beginning July
 11 1, 2009, July 1, 2011, and July 1, 2013, unless the budget
 12 committee has reviewed the status of the plan and any changes to
 13 the plan.
- 14 (3) The following amounts to each of the following counties on or
 15 before September 15, 2006, for deposit in local major moves
 16 construction funds under IC 8-14-16:
- 17 (A) Forty million dollars (\$40,000,000) to each county
 18 described in IC 8-14-16-1(1) through IC 8-14-16-1(5).
 19 However, if a county described in IC 8-14-16-1(3) becomes a
 20 member of the northwest Indiana regional development
 21 authority, the distribution to that county is twenty-five million
 22 dollars (\$25,000,000) instead of forty million dollars
 23 (\$40,000,000).
- 24 (B) Twenty-five million dollars (\$25,000,000) to each county
 25 described in IC 8-14-16-1(6).
- 26 (C) Fifteen million dollars (\$15,000,000) to each county
 27 described in IC 8-14-16-1(7).
- 28 (4) One hundred seventy-nine million dollars (\$179,000,000)
 29 during the state fiscal year beginning July 1, 2006, to the state
 30 highway fund for use by the department for preliminary
 31 engineering, purchase of rights-of-way, or construction of
 32 highways, roads, and bridges. After review by the budget
 33 committee, and subject to the approval of the governor, the
 34 budget agency may augment this distribution from balances
 35 available in the fund.
- 36 (5) An amount sufficient to provide for the payments owed by the
 37 authority as a result of a written agreement entered into under
 38 IC 8-15.5-7-6 to fund reductions in, or refunds of, user fees
 39 imposed on Class 2 vehicles, or to establish or replenish the
 40 reserves therefore, to the administration account of the toll road
 41 fund. The budget agency shall determine the amount of the
 42 distributions required to be made by this subdivision for each



1 state fiscal year beginning with the state fiscal year ending June
2 30, 2007, and ending with the state fiscal year ending June 30,
3 2016.

4 (6) An amount sufficient to make any payments required by
5 IC 5-10.3-6-8.9 as a result of a public-private agreement under
6 IC 8-15.5.

7 (b) There is annually appropriated from the fund an amount
8 sufficient to make any distributions required by subsection (a).

9 SECTION 73. IC 8-14-17-1, AS ADDED BY P.L.203-2007,
10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2018]: Sec. 1. As used in this chapter, "authority" refers to the
12 Indiana finance authority established by ~~IC 4-4-11-4~~ **IC 5-1.2-3**.

13 SECTION 74. IC 8-14.5-2-2, AS AMENDED BY P.L.235-2005,
14 SECTION 114, IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2018]: Sec. 2. "Authority" refers to the Indiana
16 finance authority established ~~under IC 4-4-11~~ **by IC 5-1.2-3**.

17 SECTION 75. IC 8-15-2-4, AS AMENDED BY P.L.85-2010,
18 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JULY 1, 2018]: Sec. 4. As used in this chapter, the following words
20 and terms shall have the following meanings, unless the context shall
21 indicate another or different meaning or intent:

22 (1) "Authority" refers to the Indiana finance authority established
23 ~~under IC 4-4-11~~ **by IC 5-1.2-3**.

24 (2) "Capitalized interest" means:

25 (A) interest costs on toll road revenue bonds before and during
26 the period of construction of the project for the payment of the
27 cost of which the bonds were issued, and for one (1) year after
28 completion of construction; and

29 (B) interest costs on succeeding lien bonds authorized by this
30 chapter for the period from the date of such bonds until the date
31 when the prior outstanding toll road revenue bonds, for which
32 revenues are pledged, are retired, but not later than ten (10)
33 years from the date of issue of the succeeding lien bonds.

34 (3) "Department" refers to the Indiana department of
35 transportation.

36 (4) "Project" or "toll road project" means any new or existing
37 express highway, limited access facility, superhighway, or
38 motorway constructed under the provisions of this chapter or
39 accepted as a toll road under IC 8-23-7, including all bridges,
40 tunnels, overpasses, underpasses, interchanges, entrance plazas,
41 approaches, tollhouses, service stations, and administration,
42 storage, and other buildings and facilities which the authority may



1 deem necessary or desirable for the operation of the project,
2 together with all property, rights, easements, and interests which
3 may be acquired by the authority for the construction or the
4 operation of the project. "Project" or "toll road project" includes
5 any subsequent improvement, betterment, enlargement, extension,
6 or reconstruction of an existing project. "Project" or "toll road
7 project" also includes a project connecting the state of Indiana
8 with an adjacent state. Each project or toll road project may be
9 constructed or extended in such sections as the authority may
10 from time to time determine, and shall be separately designated
11 by name or number, which designation shall also apply to any
12 project which is a subsequent improvement, betterment,
13 enlargement, extension, or reconstruction of such project. The
14 construction, maintenance, or operation, of transient lodging
15 facilities on, or adjacent to any such project, or the contracting
16 therefor, shall not be considered as within the definition of
17 "project" or "toll road project".

18 (5) "Cost" as applied to a toll road project or any part of a toll
19 road project includes:

20 (A) the cost of construction, including bridges over or under
21 existing highways and railroads;

22 (B) the cost of acquisition of all land, rights-of-way, property,
23 rights, easements, and interests acquired by the authority for
24 such construction;

25 (C) the cost of demolishing or removing any buildings or
26 structures on land so acquired, including the cost of acquiring
27 any lands to which such buildings or structures may be moved;

28 (D) the cost of diverting highways, interchange of highways,
29 and access roads to private property, including the cost of land
30 or easements therefor;

31 (E) the cost of all machinery and equipment;

32 (F) financing charges and capitalized interest;

33 (G) the cost of funding any reserves to secure the payment of
34 toll road revenue bonds;

35 (H) the cost of traffic estimates and of engineering and legal
36 expenses, plans, specifications, surveys, estimates of cost and
37 revenues;

38 (I) other expenses necessary or incident to determining the
39 feasibility or practicability of constructing any such project;

40 (J) administrative expense;

41 (K) such other expenses as may be necessary or incident to the
42 construction of the project, the financing of such construction,



1 and the placing of the project in operation; and
2 (L) the cost of conversion to a toll road project of a state
3 highway or part of a highway accepted as a toll road project
4 under IC 8-23-7.
5 Any obligation or expense incurred by the department for surveys,
6 borings, preparation of plans and specifications, and other
7 engineering services in connection with the construction of a
8 project under this chapter or for the repayment of a grant from a
9 federal agency which the authority itself would be authorized to
10 repay under section 5(9) of this chapter in connection with such
11 project or with the issuance of bonds for the payment of the cost
12 of such project, shall be regarded as a part of the cost of such
13 project and shall be reimbursed to the state out of the proceeds of
14 toll road revenue bonds as authorized.
15 (6) "Owner" includes all individuals, copartnerships, associations,
16 limited liability companies, or corporations having any title or
17 interest in any property, rights, easements, and interests
18 authorized to be acquired by this chapter.
19 (7) "Revenues" means all tolls, rentals, gifts, grants, money, and
20 all other funds and property coming into the possession or under
21 the control of the authority by virtue of the terms and provisions
22 of this chapter, except the proceeds from the sale of bonds issued
23 under the provisions of this chapter and earnings thereon.
24 (8) "Public roads" includes all public highways, roads, and streets
25 in the state, whether maintained by the state, county, city,
26 township, or other political subdivision.
27 (9) "Transient lodging facility" means accommodations for
28 overnight or temporary habitation, including, but not limited to,
29 hotels, motels, motor courts, lodges, and inns, for persons using
30 any toll road project.
31 (10) "Toll road bonds" means all bonds issued under the
32 provisions of this chapter, including refunding bonds and
33 succeeding lien bonds.
34 (11) "State highway" means a public road for which the
35 department is responsible under IC 8-23-2.
36 SECTION 76. IC 8-15-2-14.7, AS AMENDED BY P.L.47-2006,
37 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 UPON PASSAGE]: Sec. 14.7. (a) As used in this section,
39 "development authority" refers to the development authority
40 established under IC 36-7.5-2-1.
41 (b) An appropriation made by the general assembly to the
42 development authority may be distributed to the development authority



1 only if all transfers required from cities and counties to the
2 development authority under IC 36-7.5-4-2 have been made.

3 (c) An appropriation made by the general assembly to the
4 development authority may be distributed to the development authority
5 only after:

6 (1) the budget committee has reviewed; and

7 (2) the director of the office of management and budget has
8 approved;

9 the comprehensive strategic development plan submitted in accordance
10 with IC 36-7.5-3-4.

11 (d) If the Indiana Toll Road is sold or leased before January 1, 2008
12 (other than a lease to the department), and the sale or lease agreement
13 does not require the purchaser or lessee to continue making the
14 distributions required by subsection (b), the treasurer of state shall pay
15 the amount, if any, appropriated by the general assembly to the
16 development authority **revenue** fund established under IC 36-7.5-4-1.

17 (e) Amounts distributed or paid to the development authority under
18 this section may be used for any purpose of the development authorized
19 under IC 36-7.5.

20 SECTION 77. IC 8-15-3-0.5, AS ADDED BY P.L.218-2017,
21 SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2018]: Sec. 0.5. As used in this chapter, "authority" refers to
23 the Indiana finance authority established ~~under IC 4-4-11~~ by
24 **IC 5-1.2-3**.

25 SECTION 78. IC 8-15.5-1-2, AS AMENDED BY THE
26 TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL
27 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2018]: Sec. 2. (a) This article contains full and complete
29 authority for public-private agreements between the authority, a private
30 entity, and, where applicable, a governmental entity. Except as
31 provided in this article, no law, procedure, proceeding, publication,
32 notice, consent, approval, order, or act by the authority or any other
33 officer, department, agency, or instrumentality of the state or any
34 political subdivision is required for the authority to enter into a
35 public-private agreement with a private entity under this article, or for
36 a project that is the subject of a public-private agreement to be
37 constructed, acquired, maintained, repaired, operated, financed,
38 transferred, or conveyed.

39 (b) Before the authority or the department may issue a request for
40 proposals for or enter into a public-private agreement under this article
41 that would authorize an operator to impose tolls for the operation of
42 motor vehicles on all or part of a toll road project, the general assembly



1 must adopt a statute authorizing the imposition of tolls. However,
2 during the period beginning July 1, 2011, and ending June 30, 2021,
3 and notwithstanding subsection (c), the general assembly is not
4 required to enact a statute authorizing the authority or the department
5 to issue a request for proposals or enter into a public-private agreement
6 to authorize an operator to impose tolls for the operation of motor
7 vehicles on all or part of the following projects:

8 (1) A project on which construction begins after June 30, 2011,
9 not including any part of Interstate Highway 69 other than a part
10 described in subdivision (4).

11 (2) The addition of toll lanes, including high occupancy toll lanes,
12 to a highway, roadway, or other facility in existence on July 1,
13 2011, if the number of nontolled lanes on the highway, roadway,
14 or facility as of July 1, 2011, does not decrease due to the addition
15 of the toll lanes.

16 (3) The Illiana Expressway, a limited access facility connecting
17 Interstate Highway 65 in northwestern Indiana with an interstate
18 highway in Illinois.

19 (4) A project that is located within a metropolitan planning area
20 (as defined by 23 U.S.C. 134) and that connects the state of
21 Indiana with the commonwealth of Kentucky.

22 *However, neither the authority nor the department may issue a request*
23 *for proposals for a public-private agreement under this article that*
24 *would authorize an operator to impose tolls unless the budget*
25 *committee has reviewed the request for proposals.*

26 (c) Before the authority or an operator may carry out any of the
27 following activities under this article, the general assembly must enact
28 a statute authorizing that activity:

29 (1) Imposing tolls on motor vehicles for use of Interstate Highway
30 69.

31 (2) Imposing tolls on motor vehicles for use of a nontolled
32 highway, roadway, or other facility in existence or under
33 construction on July 1, 2011, including nontolled interstate
34 highways, U.S. routes, and state routes.

35 (d) The general assembly is not required to enact a statute
36 authorizing the authority or the department to issue a request for
37 proposals or enter into a public-private agreement for a freeway
38 project.

39 (e) The authority may enter into a public-private agreement for a
40 facility project if the general assembly, by statute, authorizes the
41 authority to enter into a public-private agreement for the facility
42 project.



1 (f) As permitted by subsection (e), the general assembly authorizes
 2 the authority to enter into public-private agreements for the following
 3 facility projects:

4 (1) A state park inn and related improvements in an existing state
 5 park located in a county with a population of more than two
 6 hundred thousand (200,000) and less than three hundred thousand
 7 (300,000).

8 (2) Communications systems infrastructure, including:

9 (A) towers and associated land, improvements, foundations,
 10 access roads and rights-of-way, structures, fencing, and
 11 equipment necessary, proper, or convenient to enable the
 12 towers to function as part of the communications system;

13 (B) any equipment necessary, proper, or convenient to transmit
 14 and receive voice and data communications; and

15 (C) any other necessary, proper, or convenient elements of the
 16 communications system.

17 (3) (2) Larue D. Carter Memorial Hospital in Indianapolis.

18 (g) The following apply to a public-private agreement for
 19 communications systems infrastructure under subsection (f)(2):

20 (1) The authority *may*: *shall*

21 (A) use the procedures set forth in IC 8-15.5-4; *or*

22 (B) *at the authority's option and in its sole discretion, negotiate*
 23 *an agreement with a single offeror.*

24 *The authority must issue a request for information before*
 25 *entering into negotiations with a single offeror. If an agreement*
 26 *is negotiated with a single offeror, IC 8-15.5-4-11 and*
 27 *IC 8-15.5-4-12 are the only sections in IC 8-15.5-4 that apply.*

28 (2) This article, and any other applicable laws with respect to
 29 establishing, charging, and collecting user fees, including
 30 IC 8-15.5-7, do not apply, and the operator may establish, charge,
 31 and collect user fees as set forth in the public-private agreement.

32 (3) Notwithstanding IC 8-15.5-5-2(2) providing that all
 33 improvements and real property must be owned by the authority
 34 in the name of the state or by a governmental entity, or both, the
 35 public-private agreement may provide that any improvements on
 36 any real property interests may be owned by the authority, a
 37 governmental entity, an operator, or a private entity.

38 (4) The authority shall transfer money received from an operator
 39 under a public-private agreement to the state bicentennial capital
 40 account established under IC 4-12-1-14.9.

41 SECTION 79. IC 8-15.5-2-3.2, AS ADDED BY P.L.213-2015,
 42 SECTION 106, IS AMENDED TO READ AS FOLLOWS

EH 1374—LS 7151/DI 58



1 [EFFECTIVE JULY 1, 2018]: Sec. 3.2. "Facility project" means a
 2 project to plan, design, acquire, construct, reconstruct, equip, improve,
 3 extend, expand, lease, operate, repair, manage, maintain, or finance any
 4 of the following that are or will be owned by or leased in the name of
 5 the state or the authority and are the subject of a public-private
 6 agreement under this article:

7 (1) A state park inn and related improvements in an existing state
 8 park located in a county with a population of more than two
 9 hundred thousand (200,000) and less than three hundred thousand
 10 (300,000).

11 ~~(2) Communications systems infrastructure, including:~~

12 ~~(A) towers and associated land, improvements, foundations,~~
 13 ~~access roads and rights-of-way, structures, fencing, and~~
 14 ~~equipment necessary, proper, or convenient to enable the~~
 15 ~~towers to function as part of the communications system;~~

16 ~~(B) any equipment necessary, proper, or convenient to transmit~~
 17 ~~and receive voice and data communications; and~~

18 ~~(C) any other necessary, proper, or convenient elements of the~~
 19 ~~communications system.~~

20 ~~(3) (2) Larue D. Carter Memorial Hospital in Indianapolis.~~

21 SECTION 80. IC 8-15.5-4-2, AS ADDED BY P.L.47-2006,
 22 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2018]: Sec. 2. A request for proposals issued by the authority
 24 must include the following:

25 (1) The factors or criteria that will be used in evaluating the
 26 proposals.

27 (2) A statement that a proposal must be accompanied by evidence
 28 of financial responsibility as considered appropriate and
 29 satisfactory by the authority.

30 (3) A statement concerning whether discussions may be
 31 conducted with the offerors for the purpose of clarification to
 32 assure full understanding of and responsiveness to the solicitation
 33 requirements.

34 (4) A statement concerning any other information that the
 35 authority may consider in evaluating the proposals.

36 **(5) A statement that to be considered an eligible offeror, the**
 37 **offeror, any private entity described in section 7(d) of this**
 38 **chapter with respect to the offeror, or any predecessor to the**
 39 **private entity must have completed a similar or equivalent**
 40 **project in North America within two (2) years of the date of**
 41 **the submission of the offeror's proposal.**

42 ~~(5) (6) A statement that, except as otherwise required by law or~~



1 under order from a court with jurisdiction, the authority may not
2 disclose the contents of proposals during:

3 (A) discussions; or

4 (B) negotiations;

5 with eligible offerors to other eligible offerors.

6 SECTION 81. IC 8-15.5-4-7, AS AMENDED BY P.L.205-2013,
7 SECTION 145, IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2018]: Sec. 7. (a) The authority shall negotiate
9 with one (1) or more responsible offerors who submit proposals that are
10 determined to be reasonably capable of being selected for a
11 public-private agreement and may seek to obtain a final offer from one
12 (1) or more responsible offerors.

13 (b) In determining whether one (1) or more responsible offerors are
14 reasonably capable of being selected for a public-private agreement,
15 the authority must consider all the following:

16 (1) The responsible offeror's expertise, qualifications,
17 competence, skills, and know-how to perform its obligations
18 under the proposed public-private agreement in accordance with
19 the public-private agreement.

20 (2) The financial strength of the responsible offeror, including its
21 capitalization.

22 (3) The experience of the responsible offeror, **or predecessor to**
23 **the offeror**, in other ~~similar~~ **comparable** projects in **North**
24 **America** and the quality of the responsible offeror's **or**
25 **predecessor's** past or present performance on other ~~similar or~~
26 ~~equivalent~~ **comparable** projects in **North America that have**
27 **been completed within two (2) years of the date of the**
28 **submission of the offeror's proposal.**

29 (4) The integrity, background, and reputation of the responsible
30 offeror, including the absence of criminal, civil, or regulatory
31 claims or actions against the responsible offeror.

32 (c) The requirements set forth in subsection (b) also apply to the
33 approval by the authority of any successor or replacement operator
34 under the public-private agreement after the execution of the
35 public-private agreement under section 11 of this chapter.

36 (d) In making its determination under subsection (b) or (c), the
37 authority shall consider:

38 (1) the offeror or operator; ~~as well as;~~

39 (2) **any affiliate of the offeror or operator;**

40 (3) **any party or affiliate of the offeror or operator that the**
41 **offeror's proposal sets forth as a party or affiliate that may**
42 **enter into a substantive contract with the offeror or operator**



1 **to carry out the obligations of the offeror or operator under**
 2 **the public-private agreement with respect to the construction,**
 3 **operations, or rehabilitation of the project; and**
 4 **(4) any private entity that controls the actions of the offeror or**
 5 **operator: those considered by the authority under subdivisions**
 6 **(1) through (3).**

7 SECTION 82. IC 8-15.5-4-8, AS AMENDED BY P.L.205-2013,
 8 SECTION 146, IS AMENDED TO READ AS FOLLOWS
 9 [EFFECTIVE JULY 1, 2018]: Sec. 8. **(a)** After the final offers from
 10 responsible offerors have been negotiated under section 7 of this
 11 chapter, the authority shall:

- 12 (1) **subject to a responsible offeror complying with subsection**
 13 **(b),** make a preliminary selection of an offeror as the operator for
 14 the project, whose final offer is referred to in this article as the
 15 "selected offer"; or
 16 (2) terminate the request for proposal process.

17 **(b) Before the authority may consider an offeror for a**
 18 **preliminary selection, the authority must have received a**
 19 **certificate from the offeror that includes the information required**
 20 **to be considered under section 7(b)(4) and 7(d) of this chapter that**
 21 **is dated not more than fifteen (15) days and not fewer than ten (10)**
 22 **days before the date of the authority's public meeting at which the**
 23 **authority will make a final selection.**

24 SECTION 83. IC 8-15.5-5-2, AS AMENDED BY P.L.91-2014,
 25 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2018]: Sec. 2. A public-private agreement entered into under
 27 this article must provide for the following:

- 28 (1) The original term of the public-private agreement, which may
 29 not exceed seventy-five (75) years.
 30 (2) Provisions for a:
 31 (A) lease, franchise, or license of the project and the real
 32 property owned by the authority upon which the project is
 33 located or is to be located; or
 34 (B) management agreement or other contract to operate the
 35 project and the real property owned by the authority upon
 36 which the project is located or is to be located;
 37 for a predetermined period. The public-private agreement must
 38 provide for ownership of all improvements and real property by
 39 the authority in the name of the state or by a governmental entity,
 40 or both.
 41 (3) Monitoring of the operator's maintenance practices by the
 42 authority and the taking of actions by the authority that it



- 1 considers appropriate to ensure that the project is properly
 2 maintained.
 3 (4) The basis upon which user fees that may be collected by the
 4 operator, as determined under this article, are established.
 5 (5) Compliance with applicable state and federal laws and local
 6 ordinances.
 7 **(6) Filing by the operator, on a periodic basis, of appropriate**
 8 **financial statements in a form acceptable to the authority.**
 9 ~~(7)~~ (7) Grounds for termination of the public-private agreement
 10 by the authority or the operator.
 11 ~~(7)~~ (8) The date of termination of the operator's authority and
 12 duties under this article.
 13 ~~(8)~~ (9) Procedures for amendment of the agreement.
 14 ~~(9)~~ (10) Provisions requiring the completion of all environmental
 15 analyses of the project required by state and federal law in the
 16 manner and at the times required by the appropriate state and
 17 federal agencies.
 18 ~~(10)~~ (11) An expedited method for resolving disputes between or
 19 among the authority, the parties to the public-private agreement,
 20 and units of local government that contain any part of the project,
 21 as required by IC 8-15.5-10-8.
 22 SECTION 84. IC 8-15.5-5-3, AS AMENDED BY P.L.213-2015,
 23 SECTION 111, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2018]: Sec. 3. In addition to the requirements
 25 of section 2 of this chapter, a public-private agreement may include
 26 additional provisions concerning the following:
 27 (1) Review and approval by the authority of the operator's plans
 28 for the development and operation of the project.
 29 (2) Inspection by the authority of construction of or improvements
 30 to the project.
 31 (3) Maintenance by the operator of a policy or policies of public
 32 liability insurance (copies of which shall be filed with the
 33 authority, accompanied by proofs of coverage) or self-insurance,
 34 each in a form and amount satisfactory to the authority to insure
 35 coverage of tort liability to the public and employees and to
 36 enable the continued operation of the project.
 37 ~~(4) Filing by the operator, on a periodic basis, of appropriate~~
 38 ~~financial statements in a form acceptable to the authority.~~
 39 ~~(5)~~ (4) Filing by the operator, on a periodic basis, of appropriate
 40 traffic reports in a form acceptable to the authority.
 41 ~~(6)~~ (5) Payments to the operator. These payments may consist of
 42 one (1) or more of the following:



- 1 (A) The retention by the operator of the user fees collected by
 2 the operator in the operation and management of a toll road
 3 project or a facility project, if applicable.
 4 (B) Payments made to the operator by the authority.
 5 (C) Other sources of payment or revenue to the operator, if any.
 6 ~~(7)~~ (6) Financing obligations of the operator and the authority,
 7 including entering into agreements for the benefit of the financing
 8 parties.
 9 ~~(8)~~ (7) Apportionment of expenses between the operator and the
 10 authority.
 11 ~~(9)~~ (8) The rights and duties of the operator, the authority, and
 12 other state and local governmental entities with respect to use of
 13 the project, including the state police department and other law
 14 enforcement and public safety agencies.
 15 ~~(10)~~ (9) Arbitration or other dispute resolution mechanisms or
 16 remedies for the settlement of claims and other disputes arising
 17 under the agreement.
 18 ~~(11)~~ (10) Payment of money to either party upon default or delay,
 19 or upon termination of the public-private agreement, with the
 20 payments to be used:
 21 (A) in the form of liquidated damages to compensate the
 22 operator for demonstrated unamortized costs, lost profits, or
 23 other amounts as provided in the agreement;
 24 (B) to retire or refinance indebtedness related to the project or
 25 the public-private agreement; or
 26 (C) for any other purpose mutually agreeable to the operator
 27 and the authority.
 28 ~~(12)~~ (11) Indemnification of the operator by the authority under
 29 conditions specified in the agreement.
 30 ~~(13)~~ (12) Assignment, subcontracting, or other delegation of
 31 responsibilities of the operator or the authority under the
 32 agreement to third parties, including other private entities, the
 33 department, and other state agencies.
 34 ~~(14)~~ (13) Sale or lease to the operator of personal property related
 35 to the project.
 36 ~~(15)~~ (14) Provisions for private commercial development or
 37 private use for a facility project.
 38 ~~(16)~~ (15) Other lawful terms and conditions to which the operator
 39 and the authority mutually agree.
 40 SECTION 85. IC 8-15.5-5-6.1, AS ADDED BY P.L.218-2017,
 41 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2018]: Sec. 6.1. (a) If a public-private agreement is terminated



1 or the authority exercises its right or remedies under the public-private
 2 agreement with respect to the project before the completion of the
 3 construction, reconstruction, improvement, extension, or expansion of
 4 the project as specified by the public-private agreement, the authority,
 5 subject to subsection (b), may take any or all of the following actions
 6 in order to facilitate completion of the project:

7 (1) Employ or contract with contractors, subcontractors, suppliers,
 8 architects, engineers, and such other advisers, consultants, and
 9 agents as may be necessary in its judgment to complete the
 10 project, and to fix their compensation.

11 (2) Contract with or enter into a public-private agreement with a
 12 new operator, and to fix its compensation.

13 (3) Assume and assign any contracts, subcontracts, and supply
 14 agreements.

15 (4) Enter into one (1) or more agreements with the department to
 16 manage the completion of the project, in which case the
 17 department may employ or contract with contractors,
 18 subcontractors, suppliers, architects, engineers, and such other
 19 advisers, consultants, and agents as may be necessary in its
 20 judgment to complete the project, and to fix their compensation.

21 (5) Issue bonds and refunding bonds under ~~IC 4-4-11~~ IC 5-1.2 or
 22 IC 8-14.5-6 to provide funding for the completion of the project,
 23 to provide funding for any losses or additional costs incurred by
 24 the authority under the public-private agreement, or to refund any
 25 bonds previously issued by the authority.

26 (6) Such other actions as the authority considers reasonable and
 27 appropriate in order to complete the project.

28 (b) Any actions taken by the authority under subsection (a)(2) or
 29 (a)(5) must be submitted to the budget committee for review. The
 30 budget committee shall hold a meeting and conduct a review of the
 31 actions taken by the authority under this section not later than thirty
 32 (30) days after the date the authority submits its actions for review.

33 (c) Unless otherwise provided by federal law, neither the authority,
 34 the department, nor any operator, contractor, or subcontractor engaged
 35 in completion of the project under this section is required to comply
 36 with IC 4-13.6 or IC 5-16 concerning state public works, IC 5-17
 37 concerning purchases of materials and supplies, or any other statutes
 38 concerning procedures for procurement of public works or personal
 39 property as a condition of being awarded and performing work on the
 40 project.

41 SECTION 86. IC 8-15.5-8-1, AS AMENDED BY P.L.91-2014,
 42 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

EH 1374—LS 7151/DI 58



1 JULY 1, 2018]: Sec. 1. Notwithstanding ~~IC 4-4-11-36.1(b)~~;
 2 ~~IC 4-4-11-36.1(e)~~, **IC 5-1.2-9-27**, or any other law, a project and
 3 tangible personal property used exclusively in connection with a
 4 project that are:

- 5 (1) owned by the authority or a governmental entity and leased,
 6 franchised, licensed, or otherwise conveyed to an operator; or
 7 (2) acquired, constructed, or otherwise provided by an operator in
 8 connection with a project;

9 under the terms of a public-private agreement are considered to be
 10 public property devoted to an essential public and governmental
 11 function and purpose and the property, and an operator's leasehold
 12 estate, franchise, license, and other interests in the property, are exempt
 13 from all ad valorem property taxes and special assessments levied
 14 against property by the state or any political subdivision of the state.

15 SECTION 87. IC 8-15.5-8-1.5, AS ADDED BY P.L.91-2014,
 16 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2018]: Sec. 1.5. Notwithstanding ~~IC 4-4-11-36.1(b)~~;
 18 ~~IC 4-4-11-36.1(e)~~, **IC 5-1.2-9-27**, or any other law, any interest in a
 19 project, including all tangible personal property used exclusively in
 20 connection with a project, that is:

- 21 (1) owned by:
 22 (A) the authority;
 23 (B) an adjacent state or commonwealth; or
 24 (C) a political subdivision or instrumentality of an adjacent
 25 state or commonwealth; and
 26 (2) acquired, constructed, or otherwise provided in connection
 27 with a project by:
 28 (A) an operator;
 29 (B) an adjacent state or commonwealth; or
 30 (C) a political subdivision or instrumentality of an adjacent
 31 state or commonwealth;

32 is considered to be public property devoted to an essential public and
 33 governmental function and purpose. This property, and a leasehold
 34 estate, franchise, license, or other interests in the property, is exempt
 35 from all ad valorem property taxes and special assessments levied
 36 against property by the state or any political subdivision of the state.

37 SECTION 88. IC 8-15.5-10-3, AS AMENDED BY P.L.213-2015,
 38 SECTION 120, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2018]: Sec. 3. (a) The authority may pay any
 40 amounts owed by the authority under a public-private agreement
 41 entered into under this article from any funds available to the authority
 42 under this article or any other statute.



1 (b) Subject to review by the budget committee established by
 2 IC 4-12-1-3 and approval by the budget director appointed under
 3 IC 4-12-1-3, a public-private agreement entered into under this article
 4 may:

5 (1) establish a procedure for the authority or a person acting on
 6 behalf of the authority to certify to the general assembly the
 7 amount needed to pay any amounts owed by the authority under
 8 a public-private agreement; or

9 (2) otherwise create a moral obligation of the state to pay any
 10 amounts owed by the authority under the public-private
 11 agreement.

12 (c) The authority may issue bonds or refunding bonds under
 13 ~~IC 4-4-1-1~~ IC 5-1.2-4 to provide funds for any amounts identified under
 14 this article but is not required to comply with IC 8-9.5-8-10.

15 (d) If the agreement that is submitted for review provides for any
 16 tolls, the budget committee shall hold a meeting and conduct a review
 17 of the agreement not later than ninety (90) days after the date the
 18 agreement is submitted for review.

19 SECTION 89. IC 8-15.5-11-3, AS ADDED BY P.L.47-2006,
 20 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2018]: Sec. 3. (a) The toll road fund is established to provide
 22 funds to:

23 (1) pay or defease certain bonds in the manner provided by this
 24 chapter;

25 (2) pay amounts owed by the authority in connection with the
 26 execution and performance of a public-private agreement under
 27 this article, including operating expenses of the authority; and

28 (3) make distributions to the next generation trust fund and the
 29 major moves construction fund.

30 (b) The authority shall hold, administer, and manage the fund.

31 (c) Expenses of administering the fund shall be paid from money in
 32 the fund.

33 (d) The fund consists of the following:

34 (1) Money received from an operator under a public-private
 35 agreement.

36 (2) Appropriations, if any, made by the general assembly.

37 (3) Grants and gifts intended for deposit in the fund.

38 (4) Interest, premiums, gains, or other earnings on the fund.

39 (5) Amounts transferred to the fund under subsection (i).

40 (6) Amounts transferred to the fund under IC 8-14-14-6(a)(5).

41 (e) The authority shall establish the following separate accounts
 42 within the fund:



- 1 (1) The bond retirement account.
 2 (2) The administration account.
 3 (3) The eligible project account.
- 4 (f) Money in the fund shall be deposited, paid, and secured in the
 5 manner provided by ~~IC 4-4-11-32~~. **IC 5-1.2-4-19**. Notwithstanding
 6 IC 5-13, the authority shall invest the money in the fund that is not
 7 needed to meet the obligations of the fund in the manner provided by
 8 an investment policy established by resolution of the authority.
- 9 (g) The fund is not part of the state treasury and is considered a trust
 10 fund for purposes of IC 4-9.1-1-7. Money may not be transferred,
 11 assigned, or otherwise removed from the fund by the state board of
 12 finance, the budget agency, or any other state agency.
- 13 (h) Money in the fund at the end of a state fiscal year does not revert
 14 to the state general fund.
- 15 (i) As soon as practicable after a public-private agreement
 16 concerning the Indiana Toll Road has been executed and the closing for
 17 each financing transaction required to provide funding to carry out the
 18 agreement has been conducted, the authority shall determine the total
 19 balance remaining in all toll road funds and accounts established under
 20 IC 8-15-2. Subject to any applicable trust indentures securing toll road
 21 bonds, the authority may retain from those funds and accounts the
 22 amounts necessary to pay outstanding obligations with respect to the
 23 operation of the Indiana Toll Road incurred before the effective date of
 24 the public-private agreement, and shall transfer all remaining balances
 25 in the toll road funds and accounts to the fund.
- 26 SECTION 90. IC 8-15.7-2-3, AS ADDED BY P.L.47-2006,
 27 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2018]: Sec. 3. "Authority" or "Indiana finance authority"
 29 refers to the Indiana finance authority established by ~~IC 4-4-11-4~~.
 30 **IC 5-1.2-3.**
- 31 SECTION 91. IC 8-15.7-8-6, AS AMENDED BY P.L.163-2011,
 32 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2018]: Sec. 6. (a) For the purpose of financing a qualifying
 34 project, the authority may enter into agreements, leases, or subleases
 35 with the department or an operator, or both, and do the following:
- 36 (1) Issue bonds, debt, or other obligations under ~~IC 4-4-11~~,
 37 **IC 5-1.2-4**, IC 8-15-2, or IC 8-15.7-9.
 38 (2) Enter into loan agreements or other credit facilities.
 39 (3) Secure any financing with a pledge of, security interest in, or
 40 lien on all or part of a property subject to the agreement, including
 41 all of the party's property interests in the qualifying project.
 42 (4) Subject to review by the budget committee established in



1 IC 4-12-1-3 and approval by the budget director appointed under
 2 IC 4-12-1-3:
 3 (A) establish a procedure for the authority or a person acting on
 4 behalf of the authority to certify to the general assembly the
 5 amount needed to pay costs incurred under a public-private
 6 agreement; or
 7 (B) otherwise create a moral obligation of the state to pay all or
 8 part of any costs incurred by the authority under a
 9 public-private agreement.
 10 (b) The department and an operator may transfer any interest in
 11 property that the department or operator has to the authority to secure
 12 the financing.
 13 (c) If items submitted for review under subsection (a)(4) provide for
 14 any tolls, the budget committee shall hold a meeting and conduct a
 15 review of the items not later than ninety (90) days after the date the
 16 items are submitted for review.
 17 SECTION 92. IC 8-16-1-0.1, AS AMENDED BY P.L.235-2005,
 18 SECTION 117, IS AMENDED TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2018]: Sec. 0.1. As used in this chapter:
 20 "Authority" refers to the Indiana finance authority established ~~under~~
 21 ~~IC 4-4-11-~~ **by IC 5-1.2-3.**
 22 "Department" refers to the Indiana department of transportation.
 23 SECTION 93. IC 8-21-12-3, AS AMENDED BY P.L.235-2005,
 24 SECTION 119, IS AMENDED TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2018]: Sec. 3. As used in this chapter,
 26 "authority" refers to the Indiana finance authority established ~~under~~
 27 ~~IC 4-4-11-~~ **by IC 5-1.2-3.**
 28 SECTION 94. IC 8-22-3.5-3, AS AMENDED BY P.L.182-2009(ss),
 29 SECTION 274, IS AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE JULY 1, 2018]: Sec. 3. (a) As used in this chapter,
 31 "qualified airport development project" means an airport development
 32 project that has a cost of the project (as defined in ~~IC 4-4-10.9-5)~~
 33 **IC 5-1.2-2)** greater than:
 34 (1) five hundred million dollars (\$500,000,000), if the project is
 35 to be located in a county having a consolidated city; or
 36 (2) two hundred fifty thousand dollars (\$250,000), if the project
 37 is to be located in:
 38 (A) a city described in section 1(2) or 1(7) of this chapter; or
 39 (B) in a county described in section 1(3), 1(4), 1(5), or 1(6) of
 40 this chapter.
 41 Except as provided by subsection (b), the term includes any portion or
 42 expansion of the original qualified airport development project used by



1 one (1) or more successor tenants.

2 (b) For purposes of section 9 of this chapter, the definition of
3 "qualified airport development project" does not include any portion of,
4 or expansion of, the original qualified airport development project used
5 by a successor tenant unless the commission adopts a resolution to
6 amend the definition to include that portion or expansion.

7 SECTION 95. IC 8-23-1-13, AS AMENDED BY P.L.235-2005,
8 SECTION 121, IS AMENDED TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2018]: Sec. 13. "Authority" refers to the Indiana
10 finance authority established ~~under IC 4-4-11~~ by **IC 5-1.2-3**.

11 SECTION 96. IC 9-21-5-2, AS AMENDED BY P.L.188-2015,
12 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2018]: Sec. 2. (a) Except when a special hazard exists that
14 requires lower speed for compliance with section 1 of this chapter, the
15 slower speed limit specified in this section or established as authorized
16 by section 3 of this chapter is the maximum lawful speed. A person
17 may not drive a vehicle on a highway at a speed in excess of the
18 following maximum limits:

- 19 (1) Thirty (30) miles per hour in an urban district.
20 (2) Fifty-five (55) miles per hour, except as provided in
21 subdivisions (1), (3), (4), (5), (6), and (7).
22 (3) Seventy (70) miles per hour on a highway on the national
23 system of interstate and defense highways located outside of an
24 urbanized area (as defined in 23 U.S.C. 101) with a population of
25 at least fifty thousand (50,000), except as provided in subdivision
26 (4).
27 (4) Sixty-five (65) miles per hour for a vehicle (other than a bus)
28 having a declared gross weight greater than twenty-six thousand
29 (26,000) pounds on a highway on the national system of interstate
30 and defense highways located outside an urbanized area (as
31 defined in 23 U.S.C. 101) with a population of at least fifty
32 thousand (50,000).
33 (5) Sixty-five (65) miles per hour on:
34 (A) U.S. 20 from the intersection of U.S. 20 and County Road
35 17 in Elkhart County to the intersection of U.S. 20 and U.S. 31
36 in St. Joseph County;
37 (B) U.S. 31 from the intersection of U.S. 31 and U.S. 20 in St.
38 Joseph County to the boundary line between Indiana and
39 Michigan; and
40 (C) a highway classified by the Indiana department of
41 transportation as an INDOT Freeway.
42 (6) On a highway that is the responsibility of the Indiana finance



1 authority established by ~~IC 4-4-11~~: **IC 5-1.2-3**:

2 (A) seventy (70) miles per hour for:

3 (i) a motor vehicle having a declared gross weight of not
4 more than twenty-six thousand (26,000) pounds; or

5 (ii) a bus; or

6 (B) sixty-five (65) miles per hour for a motor vehicle having a
7 declared gross weight greater than twenty-six thousand
8 (26,000) pounds.

9 (7) Sixty (60) miles per hour on a highway that:

10 (A) is not designated as a part of the national system of
11 interstate and defense highways;

12 (B) has four (4) or more lanes;

13 (C) is divided into two (2) or more roadways by:

14 (i) an intervening space that is unimproved and not intended
15 for vehicular travel;

16 (ii) a physical barrier; or

17 (iii) a dividing section constructed to impede vehicular
18 traffic; and

19 (D) is located outside an urbanized area (as defined in 23
20 U.S.C. 101) with a population of at least fifty thousand
21 (50,000).

22 (8) Fifteen (15) miles per hour in an alley.

23 (b) A person who violates subsection (a) commits a Class C
24 infraction.

25 SECTION 97. IC 11-8-8-1, AS ADDED BY P.L.173-2006,
26 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 2018]: Sec. 1. As used in this chapter, "correctional facility"
28 has the meaning set forth in ~~IC 4-13.5-1-1~~: **IC 5-1.2-2**.

29 SECTION 98. IC 13-11-2-16, AS AMENDED BY P.L.233-2017,
30 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2018]: Sec. 16. (a) "Authority", for purposes of IC 13-22-10,
32 refers to the Indiana hazardous waste facility site approval authority.

33 (b) "Authority", for purposes of ~~IC 13-18-13~~, ~~IC 13-18-21~~,
34 ~~IC 13-18-25~~, and ~~IC 13-19-5~~, refers to the Indiana finance authority
35 created under ~~IC 4-4-11~~.

36 SECTION 99. IC 13-11-2-29, AS AMENDED BY P.L.233-2017,
37 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2018]: Sec. 29. "Clean Water Act", for purposes of this
39 chapter, ~~IC 13-18-13~~, IC 13-18-22, **and** IC 13-18-23, **and** ~~IC 13-18-25~~,
40 refers to:

41 (1) 33 U.S.C. 1251 et seq.; and

42 (2) regulations adopted under 33 U.S.C. 1251 et seq.



1 SECTION 100. IC 13-11-2-71, AS AMENDED BY P.L.189-2011,
 2 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2018]: Sec. 71. "Environmental management laws" refers to
 4 the following:

- 5 (1) IC 13-12-2 and IC 13-12-3.
- 6 (2) IC 13-13.
- 7 (3) IC 13-14.
- 8 (4) IC 13-15.
- 9 (5) IC 13-16.
- 10 (6) IC 13-17-3-15, IC 13-17-8-10, IC 13-17-10, and IC 13-17-11.
- 11 (7) IC 13-18-10, IC 13-18-10.5, IC 13-18-12, ~~IC 13-18-13-31,~~
 12 **IC 5-1.2-10**, and IC 13-18-15 through IC 13-18-20.
- 13 (8) IC 13-19-1 **and** IC 13-19-4. ~~and IC 13-19-5-17.~~
- 14 (9) IC 13-20-1, IC 13-20-2, IC 13-20-4 through IC 13-20-15,
 15 IC 13-20-17.7, IC 13-20-19 through IC 13-20-21, and
 16 IC 13-20-22-21.
- 17 (10) IC 13-22.
- 18 (11) IC 13-23.
- 19 (12) IC 13-24.
- 20 (13) IC 13-25-1 through IC 13-25-5.
- 21 (14) IC 13-27-8.
- 22 (15) IC 13-30, except IC 13-30-1.

23 SECTION 101. IC 13-11-2-83 IS REPEALED [EFFECTIVE JULY
 24 1, 2018]. Sec. 83: (a) "Financial assistance agreement", for purposes of
 25 ~~IC 13-18-13~~, refers to an agreement between:

- 26 (1) ~~the Indiana finance authority; and~~
- 27 (2) ~~a participant under IC 13-18-13;~~

28 ~~establishing the terms and conditions of a loan or other financial~~
 29 ~~assistance; including forgiveness of principal if allowed under federal~~
 30 ~~law; by the state to the participant under that chapter.~~

31 (b) "Financial assistance agreement", for purposes of ~~IC 13-19-5~~,
 32 means an agreement between the authority and a political subdivision
 33 that:

- 34 (1) ~~is approved by the budget agency; and~~
- 35 (2) ~~establishes the terms and conditions of a loan or other~~
 36 ~~financial assistance by the state to the political subdivision.~~

37 (c) "Financial assistance agreement", for purposes of ~~IC 13-18-21~~,
 38 refers to an agreement between:

- 39 (1) ~~the Indiana finance authority; and~~
- 40 (2) ~~a participant under IC 13-18-21;~~

41 ~~establishing the terms and conditions of a loan or other financial~~
 42 ~~assistance; including forgiveness of principal if allowed under federal~~



1 law; by the state to the participant under IC 13-18-21.

2 (d) "Financial assistance agreement", for purposes of IC 13-18-25,
3 refers to an agreement between:

4 (1) the Indiana finance authority; and

5 (2) a participant under IC 13-18-25;

6 establishing the terms and conditions of a loan or other financial
7 assistance, including forgiveness of principal.

8 SECTION 102. IC 13-11-2-87, AS AMENDED BY P.L.233-2017,
9 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2018]: Sec. 87. (a) "Fund", for purposes of IC 13-14-12, refers
11 to the environmental management special fund.

12 (b) "Fund", for purposes of IC 13-15-10, refers to the waste facility
13 operator trust fund.

14 (c) "Fund", for purposes of IC 13-15-11, refers to the environmental
15 management permit operation fund.

16 (d) "Fund", for purposes of IC 13-17-6, refers to the asbestos trust
17 fund.

18 (e) "Fund", for purposes of IC 13-17-8, refers to the Title V
19 operating permit program trust fund.

20 (f) "Fund", for purposes of IC 13-18-8-5, refers to a sanitary fund.

21 (g) "Fund", for purposes of IC 13-18-13, refers to the wastewater
22 revolving loan fund established by IC 13-18-13-2.

23 (h) "Fund", for purposes of IC 13-18-21, refers to the drinking water
24 revolving loan fund established by IC 13-18-21-2. The term does not
25 include the supplemental fund established by IC 13-18-21-22.

26 (i) "Fund", for purposes of IC 13-18-25, refers to the infrastructure
27 assistance fund established by IC 13-18-25-2.

28 (j) "Fund", for purposes of IC 13-19-5, refers to the environmental
29 remediation revolving loan fund established by IC 13-19-5-2.

30 (k) "Fund", for purposes of IC 13-20-4, refers to the municipal waste
31 transportation fund.

32 (l) (g) "Fund", for purposes of IC 13-20-13, refers to the waste tire
33 management fund.

34 (m) (h) "Fund", for purposes of IC 13-20-22, refers to the state solid
35 waste management fund.

36 (n) (i) "Fund", for purposes of IC 13-21-7, refers to the waste
37 management district bond fund.

38 (o) (j) "Fund", for purposes of IC 13-21-13-2, refers to a district
39 solid waste management fund.

40 (p) (k) "Fund", for purposes of IC 13-23-6, refers to the
41 underground petroleum storage tank trust fund.

42 (q) (l) "Fund", for purposes of IC 13-23-7 and IC 13-23-8, refers to



1 the underground petroleum storage tank excess liability trust fund (or
2 ELTF).

3 ~~(r)~~ **(m)** "Fund", for purposes of IC 13-25-4, refers to the hazardous
4 substances response trust fund.

5 ~~(s)~~ **(n)** "Fund", for purposes of IC 13-25-5, refers to the voluntary
6 remediation fund.

7 ~~(t)~~ **(o)** "Fund", for purposes of IC 13-28-2, refers to the voluntary
8 compliance fund.

9 SECTION 103. IC 13-11-2-98, AS AMENDED BY P.L.113-2014,
10 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2018]: Sec. 98. "Hazardous substance", for purposes of:

12 ~~(1)~~ IC 13-19-5;

13 ~~(2)~~ **(1)** IC 13-25-4; and

14 ~~(3)~~ **(2)** IC 13-25-5;

15 has the meaning set forth in Section 101 of CERCLA (42 U.S.C. 9601).
16 The term includes any substance that the board determines to be
17 hazardous under environmental management laws.

18 SECTION 104. IC 13-11-2-151.1 IS REPEALED [EFFECTIVE
19 JULY 1, 2018]. Sec. ~~151.1~~: "Participant" means the following:

20 ~~(1)~~ For purposes of IC 13-18-13:

21 ~~(A)~~ a political subdivision; or

22 ~~(B)~~ any person, entity, association, trust, or other manner of
23 participant permitted by law to enter contractual arrangements
24 for a purpose eligible for assistance under the Clean Water Act.

25 ~~(2)~~ For purposes of the drinking water revolving loan program
26 under IC 13-18-21:

27 ~~(A)~~ a political subdivision; or

28 ~~(B)~~ any person, entity, association, trust, or other manner of
29 participant permitted by law to enter contractual arrangements
30 for a purpose eligible for assistance under the Safe Drinking
31 Water Act.

32 ~~(3)~~ For purposes of the supplemental drinking water and
33 wastewater assistance program under IC 13-18-21-21 through
34 IC 13-18-21-29:

35 ~~(A)~~ a political subdivision; or

36 ~~(B)~~ any person, entity, association, trust, or other manner of
37 participant permitted by law to enter contractual arrangements
38 for a purpose eligible for assistance under IC 13-18-21-21
39 through IC 13-18-21-29.

40 ~~(4)~~ For purposes of the infrastructure assistance program under
41 IC 13-18-25:

42 ~~(A)~~ a political subdivision; or



- 1 (B) any person, entity, association, trust, or other manner of
 2 participant permitted by law to enter into contractual
 3 arrangements for assistance under IC 13-18-25.
- 4 SECTION 105. IC 13-11-2-164 IS REPEALED [EFFECTIVE JULY
 5 1, 2018]. Sec. 164. (a) "Political subdivision"; for purposes of
 6 IC 13-18-13, means:
- 7 (1) a political subdivision (as defined in IC 36-1-2);
 8 (2) a regional water, sewage, or solid waste district organized
 9 under:
- 10 (A) IC 13-26; or
 11 (B) IC 13-3-2 (before its repeal July 1, 1996); or
 12 (3) a local public improvement bond bank organized under
 13 IC 5-1.4.
- 14 (b) "Political subdivision"; for purposes of IC 13-18-21 and
 15 IC 13-18-25, means:
- 16 (1) a political subdivision (as defined in IC 36-1-2);
 17 (2) a regional water, sewage, or solid waste district organized
 18 under:
- 19 (A) IC 13-26; or
 20 (B) IC 13-3-2 (before its repeal July 1, 1996);
 21 (3) a local public improvement bond bank organized under
 22 IC 5-1.4;
 23 (4) a qualified entity described in IC 5-1.5-1-8(4) that is a public
 24 water utility described in IC 8-1-2-125; or
 25 (5) a conservancy district established for the purpose set forth in
 26 IC 14-33-1-1(a)(4).
- 27 (c) "Political subdivision"; for purposes of IC 13-19-5, has the
 28 meaning set forth in IC 36-1-2-13 and includes a redevelopment district
 29 under IC 36-7-14 or IC 36-7-15.1.
- 30 SECTION 106. IC 13-11-2-165, AS AMENDED BY P.L.133-2012,
 31 SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2018]: Sec. 165. "Pollution control laws" refers to the
 33 following:
- 34 (1) IC 13-12-4 and IC 13-12-5.
 35 (2) IC 13-17, except for the following:
 36 (A) IC 13-17-3-15.
 37 (B) IC 13-17-7.
 38 (C) IC 13-17-8-10.
 39 (D) IC 13-17-10.
 40 (E) IC 13-17-11.
 41 (F) IC 13-17-13.
 42 (3) IC 13-18, except for the following:



1 (A) IC 13-18-12 and ~~IC 13-18-13~~. **IC 5-1.2-10.**

2 (B) IC 13-18-15 through IC 13-18-20.

3 (4) IC 13-19-3.

4 (5) IC 13-20-16 and IC 13-20-17.

5 SECTION 107. IC 13-11-2-172, AS AMENDED BY P.L.233-2017,
6 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2018]: Sec. 172. (a) "Program", for purposes of ~~IC 13-18-13~~;
8 refers to the wastewater revolving loan program established by
9 ~~IC 13-18-13-1~~.

10 (b) "Program", for purposes of ~~IC 13-18-21~~; refers to the drinking
11 water revolving loan program established by ~~IC 13-18-21-1~~. The term
12 does not include the supplemental program:

13 (c) "Program", for purposes of ~~IC 13-18-25~~; refers to the
14 infrastructure assistance program established by ~~IC 13-18-25-1~~.

15 (d) "Program", for purposes of ~~IC 13-19-5~~; refers to the
16 environmental remediation revolving loan program established by
17 ~~IC 13-19-5-1~~.

18 (e) "Program", for purposes of IC 13-23, refers to an underground
19 storage tank release:

- 20 (1) detection;
21 (2) prevention; and
22 (3) correction;

23 program created in accordance with the requirements of IC 13-23 or
24 IC 13-7-20 (before its repeal).

25 SECTION 108. IC 13-11-2-177.3, AS AMENDED BY
26 P.L.233-2017, SECTION 19, IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 177.3. "Public water
28 system", for purposes of this chapter, IC 13-18-11, IC 13-18-16,
29 IC 13-18-20.5, ~~IC 13-18-21~~, ~~IC 13-18-25~~, and other environmental
30 management laws, has the meaning set forth in 42 U.S.C. 300f.

31 SECTION 109. IC 13-11-2-186 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 186. "Remediation", for
33 purposes of ~~IC 13-19-5~~ and IC 13-25-5, means any of the following:

34 (1) Actions necessary to:

- 35 (A) prevent;
36 (B) minimize; or
37 (C) mitigate;

38 damages to the public health or welfare or to the environment that
39 may otherwise result from a release or threat of a release.

40 (2) Actions consistent with a permanent remedy taken instead of
41 or in addition to removal actions if a release or threatened release
42 of a hazardous substance or petroleum into the environment



1 occurs to eliminate the release of hazardous substances or
 2 petroleum so that the hazardous substances or petroleum do not
 3 migrate to cause substantial danger to present or future public
 4 health or welfare or the environment.

5 (3) The cleanup or removal of released hazardous substances or
 6 petroleum from the environment.

7 SECTION 110. IC 13-11-2-195.5, AS AMENDED BY
 8 P.L.233-2017, SECTION 20, IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 195.5. "Safe Drinking
 10 Water Act", for purposes of this chapter, ~~IC 13-18-21~~; and ~~IC 13-18-25~~;
 11 refers to:

12 (1) 42 U.S.C. 300f et seq.; and

13 (2) regulations adopted under 42 U.S.C. 300f et seq.

14 SECTION 111. IC 13-11-2-223.5 IS REPEALED [EFFECTIVE
 15 JULY 1, 2018]. Sec. 223-5: "Storm water management program"; for
 16 purposes of ~~IC 13-18-21~~ and ~~IC 13-18-25~~; means a program that is
 17 consistent with the requirements in:

18 ~~(1) 40 CFR 122.26(d)(2)(iv) for a proposed management~~
 19 ~~program; or~~

20 ~~(2) 40 CFR 122.34 for a storm water management program.~~

21 SECTION 112. IC 13-11-2-226 IS REPEALED [EFFECTIVE JULY
 22 1, 2018]. Sec. 226: "Supplemental fund"; for purposes of ~~IC 13-18-13~~
 23 and ~~IC 13-18-21~~; refers to the supplemental drinking water and
 24 wastewater assistance fund established by ~~IC 13-18-21-22~~.

25 SECTION 113. IC 13-11-2-227 IS REPEALED [EFFECTIVE JULY
 26 1, 2018]. Sec. 227: "Supplemental program"; for purposes of
 27 ~~IC 13-18-13~~ and ~~IC 13-18-21~~; refers to the supplemental drinking water
 28 and wastewater assistance program established by ~~IC 13-18-21-21~~.

29 SECTION 114. IC 13-18-13 IS REPEALED [EFFECTIVE JULY 1,
 30 2018]. (Wastewater Revolving Loan Program).

31 SECTION 115. IC 13-18-21 IS REPEALED [EFFECTIVE JULY 1,
 32 2018]. (Drinking Water Revolving Loan Program).

33 SECTION 116. IC 13-18-25 IS REPEALED [EFFECTIVE JULY 1,
 34 2018]. (Infrastructure Assistance Program).

35 SECTION 117. IC 13-19-5 IS REPEALED [EFFECTIVE JULY 1,
 36 2018]. (Environmental Remediation Revolving Loan Program).

37 SECTION 118. IC 13-23-7-2, AS AMENDED BY P.L.96-2016,
 38 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2018]: Sec. 2. Sources of money for the ELTF are the
 40 following:

41 (1) Appropriations from the general assembly.

42 (2) Gifts and donations intended for deposit in the fund.



1 (3) Inspection fees paid under IC 16-44-2.

2 ~~(4) Bond revenue under IC 4-4-11.2-7(a)(1):~~

3 ~~(5) (4)~~ Any other money authorized to be deposited in or
4 appropriated to the trust fund.

5 SECTION 119. IC 13-25-4-1, AS AMENDED BY P.L.220-2014,
6 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2018]: Sec. 1. (a) The hazardous substances response trust
8 fund is established. The purpose of the fund is to accumulate and
9 maintain a source of money for the following purposes:

10 (1) Financing contracts or cooperative agreements between the
11 state and the President of the United States under Section 104 of
12 CERCLA (42 U.S.C. 9604).

13 (2) Providing state assistance in the form of supplies, materials,
14 services, and equipment to:

15 (A) prevent the release of a hazardous substance or
16 contaminant; or

17 (B) control, contain, isolate, neutralize, remove, store, or
18 dispose of any hazardous substance or contaminant already
19 released into or on the air, land, or waters of Indiana.

20 (3) Financing response actions that are:

21 (A) undertaken or authorized by the commissioner with respect
22 to sites in Indiana; and

23 (B) considered by the commissioner to be necessary to protect
24 the public health or welfare or the environment from the release
25 or threatened release of a hazardous substance or contaminant.

26 (4) Paying expenses related to releases of regulated substances
27 other than petroleum from underground storage tanks under
28 IC 13-23-13-7.

29 (5) Paying administrative and personnel expenses incurred by the
30 state in responding to releases or threats of releases of hazardous
31 substances or contaminants.

32 (6) Paying claims for the reimbursement of necessary response
33 costs incurred by persons that have received preauthorization
34 from the commissioner for reimbursement.

35 (7) Providing grants for household hazardous waste and
36 conditionally exempt small quantity generator waste collection,
37 recycling, or disposal projects under IC 13-20-20.

38 (8) Paying administrative and personnel expenses incurred by the
39 department in implementing and administering household
40 hazardous waste and conditionally exempt small quantity
41 generator waste collection, recycling, or disposal projects under
42 IC 13-20-20.



- 1 (9) Transferring funds to the ~~environmental remediation revolving~~
 2 ~~loan~~ **Indiana brownfields** fund established by ~~IC 13-19-5-2.~~
 3 **IC 5-1.2-12-3.**
- 4 (10) Paying administrative and personnel expenses incurred by
 5 the state in evaluating proposed modifications of restrictive
 6 covenants under IC 13-14-2-9.
- 7 (b) Money in the fund at the end of a state fiscal year does not revert
 8 to the state general fund.
- 9 SECTION 120. IC 14-8-2-16.4 IS REPEALED [EFFECTIVE JULY
 10 1, 2018]. ~~Sec. 16.4. "Authority", for purposes of IC 14-28-5, has the~~
 11 ~~meaning set forth in IC 14-28-5-0.5.~~
- 12 SECTION 121. IC 14-8-2-48, AS AMENDED BY P.L.133-2012,
 13 SECTION 162, IS AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 2018]: Sec. 48. (a) "Commission", except as
 15 provided in this section, refers to the natural resources commission.
- 16 (b) "Commission", for purposes of IC 14-13-1, has the meaning set
 17 forth in IC 14-13-1-1.
- 18 (c) "Commission", for purposes of IC 14-13-2, has the meaning set
 19 forth in IC 14-13-2-2.
- 20 (d) "Commission", for purposes of IC 14-13-4, has the meaning set
 21 forth in IC 14-13-4-1.
- 22 (e) "Commission", for purposes of IC 14-13-5, has the meaning set
 23 forth in IC 14-13-5-1.
- 24 (f) "Commission", for purposes of IC 14-13-6, has the meaning set
 25 forth in IC 14-13-6-2.
- 26 ~~(g) "Commission", for purposes of IC 14-14-1, has the meaning set~~
 27 ~~forth in IC 14-14-1-3.~~
- 28 ~~(h)~~ **(g)** "Commission", for purposes of IC 14-20-11, has the meaning
 29 set forth in IC 14-20-11-1.
- 30 ~~(i)~~ **(h)** "Commission", for purposes of IC 14-28-4, has the meaning
 31 set forth in IC 14-28-4-1.
- 32 ~~(j)~~ **(i)** "Commission", for purposes of IC 14-30-1, has the meaning
 33 set forth in IC 14-30-1-2.
- 34 ~~(k)~~ **(j)** "Commission", for purposes of IC 14-30-2, has the meaning
 35 set forth in IC 14-30-2-2.
- 36 ~~(l)~~ **(k)** "Commission", for purposes of IC 14-30-3, has the meaning
 37 set forth in IC 14-30-3-2.
- 38 ~~(m)~~ **(l)** "Commission", for purposes of IC 14-30-4, has the meaning
 39 set forth in IC 14-30-4-2.
- 40 ~~(n)~~ **(m)** "Commission", for purposes of IC 14-33-20, has the
 41 meaning set forth in IC 14-33-20-2.
- 42 SECTION 122. IC 14-8-2-60 IS REPEALED [EFFECTIVE JULY



1 1, 2018]. Sec. 60. "Cost", for purposes of IC ~~14-14-1~~, has the meaning
 2 set forth in IC ~~14-14-1-4~~.

3 SECTION 123. IC 14-8-2-95 IS REPEALED [EFFECTIVE JULY
 4 1, 2018]. Sec. 95. "Flood control program", for purposes of IC ~~14-28-5~~,
 5 has the meaning set forth in IC ~~14-28-5-1~~.

6 SECTION 124. IC 14-8-2-107, AS AMENDED BY P.L.219-2014,
 7 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2018]: Sec. 107. "Fund" has the following meaning:

9 (1) For purposes of IC 14-9-5, the meaning set forth in
 10 IC 14-9-5-1.

11 (2) For purposes of IC 14-9-8-21, the meaning set forth in
 12 IC 14-9-8-21.

13 (3) For purposes of IC 14-9-8-21.5, the meaning set forth in
 14 IC 14-9-8-21.5.

15 (4) For purposes of IC 14-9-9, the meaning set forth in
 16 IC 14-9-9-3.

17 (5) For purposes of IC 14-12-1, the meaning set forth in
 18 IC 14-12-1-1.

19 (6) For purposes of IC 14-12-2, the meaning set forth in
 20 IC 14-12-2-2.

21 (7) For purposes of IC 14-12-3, the meaning set forth in
 22 IC 14-12-3-2.

23 (8) For purposes of IC 14-13-1, the meaning set forth in
 24 IC 14-13-1-2.

25 (9) For purposes of IC 14-13-2, the meaning set forth in
 26 IC 14-13-2-3.

27 (10) For purposes of IC 14-16-1, the meaning set forth in
 28 IC 14-16-1-30.

29 (11) For purposes of IC 14-19-8, the meaning set forth in
 30 IC 14-19-8-1.

31 (12) For purposes of IC 14-20-11, the meaning set forth in
 32 IC 14-20-11-2.

33 (13) For purposes of IC 14-22-3, the meaning set forth in
 34 IC 14-22-3-1.

35 (14) For purposes of IC 14-22-4, the meaning set forth in
 36 IC 14-22-4-1.

37 (15) For purposes of IC 14-22-5, the meaning set forth in
 38 IC 14-22-5-1.

39 (16) For purposes of IC 14-22-8, the meaning set forth in
 40 IC 14-22-8-1.

41 (17) For purposes of IC 14-22-34, the meaning set forth in
 42 IC 14-22-34-2.



- 1 (18) For purposes of IC 14-23-3, the meaning set forth in
 2 IC 14-23-3-1.
- 3 (19) For purposes of IC 14-25-2-4, the meaning set forth in
 4 IC 14-25-2-4.
- 5 (20) For purposes of IC 14-25-10, the meaning set forth in
 6 IC 14-25-10-1.
- 7 (21) For purposes of IC 14-25.5, the meaning set forth in
 8 IC 14-25.5-1-3.
- 9 ~~(22) For purposes of IC 14-28-5, the meaning set forth in~~
 10 ~~IC 14-28-5-2.~~
- 11 ~~(23)~~ (22) For purposes of IC 14-31-2, the meaning set forth in
 12 IC 14-31-2-5.
- 13 ~~(24)~~ (23) For purposes of IC 14-25-12, the meaning set forth in
 14 IC 14-25-12-1.
- 15 ~~(25)~~ (24) For purposes of IC 14-32-8, the meaning set forth in
 16 IC 14-32-8-1.
- 17 ~~(26)~~ (25) For purposes of IC 14-33-14, the meaning set forth in
 18 IC 14-33-14-3.
- 19 ~~(27)~~ (26) For purposes of IC 14-33-21, the meaning set forth in
 20 IC 14-33-21-1.
- 21 ~~(28)~~ (27) For purposes of IC 14-34-6-15, the meaning set forth in
 22 IC 14-34-6-15.
- 23 ~~(29)~~ (28) For purposes of IC 14-34-14, the meaning set forth in
 24 IC 14-34-14-1.
- 25 ~~(30)~~ (29) For purposes of IC 14-34-19-1.3, the meaning set forth
 26 in IC 14-34-19-1.3(a).
- 27 ~~(31)~~ (30) For purposes of IC 14-34-19-1.5, the meaning set forth
 28 in IC 14-34-19-1.5(a).
- 29 ~~(32)~~ (31) For purposes of IC 14-37-10, the meaning set forth in
 30 IC 14-37-10-1.
- 31 SECTION 125. IC 14-8-2-117 IS REPEALED [EFFECTIVE JULY
 32 1, 2018]. ~~Sec. 117: "Governing board", for purposes of IC 14-28-5, has~~
 33 ~~the meaning set forth in IC 14-28-5-3.~~
- 34 SECTION 126. IC 14-8-2-196 IS REPEALED [EFFECTIVE JULY
 35 1, 2018]. ~~Sec. 196: "Park", for purposes of IC 14-14-1, has the meaning~~
 36 ~~set forth in IC 14-14-1-5.~~
- 37 SECTION 127. IC 14-8-2-197 IS REPEALED [EFFECTIVE JULY
 38 1, 2018]. ~~Sec. 197: "Park project", for purposes of IC 14-14-1, has the~~
 39 ~~meaning set forth in IC 14-14-1-6.~~
- 40 SECTION 128. IC 14-14-1 IS REPEALED [EFFECTIVE JULY 1,
 41 2018]. (Recreational Development Commission).
- 42 SECTION 129. IC 14-25-7-18, AS AMENDED BY P.L.233-2017,



1 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2018]: Sec. 18. (a) As used in this section, "authority" refers
3 to the Indiana finance authority established by ~~IC 4-4-11-4~~ **IC 5-1.2-3**.

4 (b) As used in this section, "quality assurance review" means a
5 process of reviewing and verifying water resources data with the goal
6 of assuring the reliability of the data. The term includes the application
7 of certain objectives, principles, and policies already in use at the
8 Indiana geological and water survey in maintaining consistency in
9 water resources data and accountability to the scientific community and
10 general public.

11 (c) The authority shall perform a quality assurance review of the
12 water resources data compiled from the reports submitted by owners of
13 significant water withdrawal facilities under:

14 (1) section 15 of this chapter; and

15 (2) IC 13-2-6.1-1 and IC 13-2-6.1-7 (before their repeal);
16 beginning with the reports submitted for the 1985 calendar year.

17 (d) The authority may enter into contracts with one (1) or more
18 professionals or state educational institutions under which the
19 professionals or state educational institutions will perform some or all
20 of the duties imposed on the authority by this section. The authority
21 may compensate the professionals or state educational institutions for
22 work performed under this section with:

23 (1) money from the drinking water revolving loan fund
24 established by ~~IC 13-18-21-2~~ **IC 5-1.2-10-3**; or

25 (2) any other funds appropriated to the authority.

26 (e) In performing the quality assurance review required by this
27 section, the authority shall use the water resources data in a manner
28 that:

29 (1) protects the confidential information of owners of significant
30 water withdrawal facilities; and

31 (2) is consistent with IC 5-14-3-4.

32 (f) The authority shall present the results of the quality assurance
33 review performed under this section, as those results become available,
34 to the water rights and use section of the department's division of water.
35 The water rights and use section shall maintain the results in the data
36 base of data extracted from reports submitted by owners of significant
37 water withdrawal facilities under section 15 of this chapter (and
38 IC 13-2-6.1-1 and IC 13-2-6.1-7 before their repeal).

39 SECTION 130. IC 14-28-5 IS REPEALED [EFFECTIVE JULY 1,
40 2018]. (Flood Control Revolving Fund).

41 SECTION 131. IC 14-33-7-7, AS AMENDED BY P.L.4-2005,
42 SECTION 127, IS AMENDED TO READ AS FOLLOWS



1 [EFFECTIVE JULY 1, 2018]: Sec. 7. (a) To pay the costs of
 2 establishing a district, including general, legal, and administrative costs
 3 and costs incident to preparing the district plan, money may be
 4 obtained from one (1) or a combination of the following methods:

5 (1) Gifts, loans, or grants from a state or federal agency, or both.

6 (2) Gifts from any source.

7 (3) The collection of the special benefit tax.

8 (4) Borrowing from private or public sources in anticipation of the
 9 collection of the tax.

10 (5) Advances from the general fund of the county under section
 11 15 of this chapter.

12 (6) Borrowing from the economic development fund created by
 13 IC 5-28-8 for any of the purposes in IC 14-33-1-1.

14 (7) Borrowing from the flood control revolving fund created by
 15 ~~IC 14-28-5~~ **IC 5-1.2-13** for any of the purposes in IC 14-33-1-1.

16 (b) All persons, agencies, and departments charged with the
 17 administration and supervision of funds such as those created by
 18 IC 5-28-8 and ~~IC 14-28-5~~ **IC 5-1.2-13** may make loans and advances
 19 to a district. The procedures, terms, and conditions of the loans must be
 20 the same as provided in the statutes establishing the funds but shall be
 21 modified and supplemented to fit this article to facilitate the financing
 22 of districts.

23 (c) This section does not preclude the borrowing of money for the
 24 following:

25 (1) Establishing the district.

26 (2) General, legal, and administrative costs.

27 (3) Costs incident to preparing the district plan in conjunction
 28 with borrowing of money to pay construction costs.

29 SECTION 132. IC 15-13-10-3, AS ADDED BY P.L.2-2008,
 30 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2018]: Sec. 3. (a) Subject to the approval of the governor, the
 32 commission may, by resolution, authorize and issue revenue bonds to:

33 (1) pay all or part of the cost of a project; or

34 (2) refund outstanding revenue bonds.

35 (b) The principal of and the interest on bonds must be payable solely
 36 from the revenues specifically pledged to the payment of the principal
 37 and the interest on the bonds.

38 (c) The bonds of each issue must:

39 (1) be dated; and

40 (2) mature at a time not exceeding thirty (30) years from the date
 41 of the bonds.

42 (d) The bonds may be made redeemable before maturity, at the



1 option of the commission, at a price and under terms and conditions
2 fixed by the commission.

3 (e) The commission shall:

4 (1) determine the form of the bonds; and

5 (2) fix:

6 (A) the denomination of the bonds; and

7 (B) the place of payment of principal and interest, which may
8 be at any bank or trust company in the United States.

9 (f) The bonds must be signed in the name of the commission by:

10 (1) the commission chairperson; or

11 (2) the facsimile signature of the commission chairperson.

12 (g) The official seal of the commission, or a facsimile of the seal,
13 must be:

14 (1) affixed to the bonds; and

15 (2) attested by the executive director of the commission.

16 (h) If an officer whose signature or a facsimile of whose signature
17 appears on a bond ceases to be an officer before the delivery of the
18 bonds, the signature or facsimile is valid and sufficient for all purposes
19 as if the officer had remained in office until the delivery.

20 (i) Bonds issued under this chapter have all the qualities and
21 incidents of negotiable instruments under the laws of Indiana.

22 (j) Bonds may be issued in registered form.

23 (k) Bonds must be sold in accordance with IC 21-32-3.

24 (l) The commission shall cooperate with and use the assistance of
25 the Indiana finance authority established ~~under IC 4-4-11~~ by **IC 5-1.2-3**
26 in the issuance of the bonds.

27 SECTION 133. IC 16-18-2-338.5, AS AMENDED BY
28 P.L.162-2007, SECTION 36, IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 338.5. "State
30 authority", for purposes of IC 16-22, means the Indiana finance
31 authority established by ~~IC 4-4-11-4~~. **IC 5-1.2-3**.

32 SECTION 134. IC 16-22-3-3 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 3. (a) The governing
34 board may lease real or personal property, with or without an option to
35 purchase, on reasonable terms and conditions. If a lease agreement
36 gives the hospital an option to purchase the property and if any part of
37 the lease rental is to be applied on the purchase price if the option is
38 exercised, the agreement shall be treated as a purchase and is subject
39 to this chapter and other Indiana laws relating to purchases by county
40 hospitals.

41 (b) The governing board may authorize the purchase or lease of a
42 hospital building from the **Indiana finance** authority ~~or an authority~~



1 referred to in ~~IC 5-1-16-1~~; established by **IC 5-1.2-3**.

2 SECTION 135. IC 16-22-5-15, AS AMENDED BY P.L.162-2007,
3 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2018]: Sec. 15. As the tax is collected, the levies become a
5 part of the hospital funds without further appropriation by the county
6 fiscal body and may be invested in accordance with IC 16-22-3-20. The
7 levies shall be separately accounted for as a hospital cumulative
8 building fund and may not be used for any purposes other than that for
9 which the cumulative building fund was established, except for the
10 following:

11 (1) A lease entered into with an authority or the Indiana finance
12 authority under ~~IC 5-1-16~~ **IC 5-1.2-7** may provide that the lease
13 agreement to pay lease rentals be paid in whole or in part from the
14 hospital cumulative building fund.

15 (2) If a loan has been obtained for the same purposes for which
16 the cumulative building fund was established, the fund may be
17 used to pay principal and interest on the bonds, notes, or other
18 evidences of indebtedness of the hospital.

19 SECTION 136. IC 16-22-8-2.3 IS ADDED TO THE INDIANA
20 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
21 [EFFECTIVE JULY 1, 2018]: **Sec. 2.3. As used in this chapter,**
22 **"bond bank" means the local public improvement bond bank**
23 **established pursuant to IC 5-1.4 by the city located in the county in**
24 **which the corporation is established.**

25 SECTION 137. IC 16-22-8-2.5 IS ADDED TO THE INDIANA
26 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
27 [EFFECTIVE JULY 1, 2018]: **Sec. 2.5. As used in this chapter,**
28 **"building authority" means the building authority established**
29 **pursuant to IC 36-9-13 by the county in which the corporation is**
30 **established.**

31 SECTION 138. IC 16-22-8-56 IS ADDED TO THE INDIANA
32 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2018]: **Sec. 56. (a) This section applies**
34 **notwithstanding any other law.**

35 (b) **A pledge of revenues, other money, or property made by the**
36 **corporation to secure the repayment of its bonds or leases entered**
37 **into with the building authority, regardless of when it was made,**
38 **is binding from the time the pledge is, or was, made. The pledge, as**
39 **of the date the pledge is or was made, creates a statutory lien upon**
40 **these revenues, other money, or property of the corporation so**
41 **pledged at the time the pledge is, or was, made. Revenues, other**
42 **money, or property pledged and then received by the corporation,**



1 or which after the pledge may be held, possessed, maintained or
2 controlled by, or otherwise in the custody of:

3 (1) any other political subdivision of the state; or

4 (2) any department, agency, or instrumentality of a political
5 subdivision of the state;

6 under any other law, are immediately subject to the statutory lien
7 of the pledge, with the statutory lien immediately and
8 automatically attaching to the revenues, other money, or property
9 pledged, without any further act. The statutory lien of a pledge is
10 binding against all parties having claims of any kind in tort,
11 contract, or otherwise, against the corporation, regardless of
12 whether the parties have notice of any lien. No resolution,
13 ordinance, indenture, or any other instrument by which a pledge
14 is created needs to be filed or recorded except in the records of the
15 corporation.

16 (c) To the extent that the corporation has pledged any revenues,
17 other money, or property to secure the repayment of its bonds or
18 leases entered into with the building authority, the following apply:

19 (1) The revenues, other money, or property so pledged and
20 then received by the corporation, or which after the pledge,
21 may be held, possessed, maintained or controlled by, or
22 otherwise in the custody of:

23 (A) any other political subdivision of the state; or

24 (B) any department, agency, or instrumentality of a political
25 subdivision of the state;

26 under any other law, up to an amount necessary to pay debt
27 service on or to maintain a reserve fund or any required
28 coverage ratio in any calendar year or bond year with respect
29 to such an obligation, shall be used for the repayment of the
30 obligation and for no other purpose until the obligation for
31 that calendar year or bond year is fully paid in accordance
32 with its terms.

33 (2) The corporation is prohibited from consenting to or
34 permitting, and shall never be construed as consenting to or
35 permitting, without the consent of one hundred percent
36 (100%) of the owners of all its bonds then outstanding and
37 those bonds then outstanding that are secured by the leases
38 entered into with the building authority, the use of the pledged
39 revenues for any purpose, except as described in subdivision
40 (1).

41 (3) The revenues, other money, or property, which after the
42 pledge, may be held, possessed, maintained or controlled by,



1 or otherwise in the custody of:
2 (A) any other political subdivision of the state; or
3 (B) any department, agency, or instrumentality of a political
4 subdivision of the state;
5 under any other law, and that would otherwise be available
6 for distribution to the corporation, are automatically subject
7 to a statutory lien for purposes of section 58 of this chapter.
8 (4) The corporation has no legal or equitable right to any of
9 these revenues, other money, or property, which after the
10 pledge may be held, possessed, maintained or controlled by,
11 or otherwise in the custody of any other political subdivision
12 of the state, or any department, agency, or instrumentality of
13 a political subdivision of the state under any other law, and
14 that would otherwise be available for distribution to the
15 corporation, until:
16 (A) any reduction permitted under section 58 of this chapter
17 has been applied; and
18 (B) the revenues, other money, or property have been or are
19 required to be distributed to and received by the
20 corporation.
21 (5) The corporation is prohibited from consenting to or
22 permitting, and shall never be construed as consenting to or
23 permitting, the use of any of the revenues, other money, or
24 property that is reduced pursuant to section 58 of this chapter
25 for any other purpose, other than the purposes described in
26 section 58 of this chapter.
27 SECTION 139. IC 16-22-8-57 IS ADDED TO THE INDIANA
28 CODE AS A NEW SECTION TO READ AS FOLLOWS
29 [EFFECTIVE JULY 1, 2018]: Sec. 57. (a) This section applies
30 notwithstanding any other law.
31 (b) The corporation is required to pay in full the principal of,
32 and interest and premium, if any, on, or rental payments under, its
33 bonds or leases entered into with the building authority, in
34 accordance with the terms of these bonds or leases.
35 (c) With respect to these bonds or leases, the corporation is
36 prohibited from consenting to or permitting, and shall never be
37 construed as consenting to or permitting, without the consent of
38 one hundred percent (100%) of the owners of all the bonds then
39 outstanding and those bonds then outstanding that are secured by
40 those leases, to any of the following:
41 (1) An extension of the stated maturity or a reduction in the
42 principal amount of, or a reduction in the rate or an extension



- 1 of the time of payment of interest on, the bonds.
 2 (2) An extension of the due date or a reduction in the amount
 3 of a rental payment under the leases.
 4 (3) The creation of any lien on the revenues, other money, or
 5 property pledged to these bonds or leases, which is senior or
 6 prior to the lien upon the revenues, other money, or property
 7 pledged to these bonds or leases.
 8 (4) A reduction in the aggregate principal amount of the
 9 bonds or aggregate amount of rental payments under the
 10 leases.
 11 (5) The granting of a privilege, priority, or preference to any
 12 of the bonds or any bonds secured by the leases over any other
 13 of these bonds.
 14 (6) Any amendment or modification of the powers, remedies,
 15 rights, duties, privileges, or immunities of the owners of the
 16 bonds.
- 17 SECTION 140. IC 16-22-8-58 IS ADDED TO THE INDIANA
 18 CODE AS A NEW SECTION TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2018]: **Sec. 58. (a) Upon receiving notice**
 20 **from the bond bank that the corporation has failed to pay when**
 21 **due the principal of or interest on the obligations of the**
 22 **corporation then held, owned by, or arising from an agreement**
 23 **with the bond bank, the controller of the county in which the**
 24 **corporation is established shall do the following:**
- 25 (1) Reduce the amount of any revenues, other money, or
 26 property that are pledged to pay the obligations, that:
 27 (A) are held, possessed, maintained, controlled, or otherwise
 28 in the custody of the county in which the corporation is
 29 established or a department, an agency, or an
 30 instrumentality of the county in which the corporation is
 31 established; and
 32 (B) would otherwise be available for distribution to the
 33 corporation under any other law;
 34 by an amount equal to the amount of the unpaid obligations.
 35 (2) Pay the amount by which the revenues, other money, or
 36 property that are pledged to pay the obligations is reduced
 37 under subdivision (1) to the bond bank to pay the principal of
 38 and interest on the bonds or other obligations of the bond
 39 bank directly related to the applicable defaulted obligations
 40 of the corporation.
 41 (3) Notify the corporation that the revenues, other money, or
 42 property, which would otherwise be available for distribution



1 to the corporation, has been reduced by an amount necessary
2 to satisfy all or part of the unpaid obligations to the bond
3 bank.

4 (b) Any reductions under subsection (a) must be used only for
5 the purpose of paying the principal of and interest on the bonds or
6 other obligations of the bond bank that are directly related to the
7 applicable defaulted obligations of the corporation and that the
8 bond bank has failed to pay and for no other purpose.

9 (c) Notwithstanding any other law, the corporation has no legal
10 or equitable right to any revenues, other money, or property that
11 are pledged to pay the principal of and interest on the bonds or
12 other obligations of the bond bank, which are held, possessed,
13 maintained, controlled or otherwise in the custody of any other
14 political subdivision of the state, or any department, agency, or
15 instrumentality of a political subdivision of the state, that would
16 otherwise be available for distribution to the political subdivision,
17 until:

18 (1) any reduction permitted under this section has been
19 applied; and

20 (2) the revenues, other money, or property have been or are
21 required to be distributed to and received by the corporation.

22 (d) This section shall be interpreted liberally so that the county,
23 in which the corporation is established, shall, to the extent
24 permitted under Indiana law, ensure that the obligations of the
25 corporation held or owned by or arising from an agreement with
26 the bond bank, are paid when due. However, this section does not
27 create a debt of the state or any other political subdivision.

28 (e) The withholding of a payment from or the reduction of a
29 payment to the corporation and the payment to the bond bank
30 under this section must not adversely affect the validity of the
31 obligation of the corporation in default.

32 SECTION 141. IC 16-22-8-59 IS ADDED TO THE INDIANA
33 CODE AS A NEW SECTION TO READ AS FOLLOWS
34 [EFFECTIVE JULY 1, 2018]: Sec. 59. (a) If the corporation is
35 designated as a "distressed political subdivision" by the distressed
36 unit appeal board pursuant to IC 6-1.1-20.3-6.5, upon receipt of the
37 notice of the designation from the distressed unit appeal board, the
38 controller and the county treasurer of the county in which the
39 corporation is established shall take any and all actions necessary
40 to immediately and automatically distribute to the bond bank, after
41 any reductions required by section 58 of this chapter, any
42 revenues, other money, or property that are pledged to pay the



1 principal of or interest on the obligations of the corporation held
 2 or owned by or arising from an agreement with the bond bank,
 3 which are held, possessed, maintained, controlled, or otherwise in
 4 the custody of the county in which the corporation is established,
 5 or any department, agency, or instrumentality of the county, which
 6 would otherwise be available for distribution to the corporation
 7 under any other law.

8 (b) Upon receipt of the revenues or money, the bond bank shall
 9 retain the amount necessary to pay the debt service on all of its
 10 bonds for the one (1) year period following the date of the receipt
 11 of the revenues or money, for which bonds the corporation is
 12 directly or indirectly obligated to pay, pursuant to the
 13 corporation's bonds or leases entered into with the building
 14 authority. The bond bank shall deposit the amount retained with
 15 the trustee or trustees for the bonds and then distribute the
 16 remainder to the corporation. The amounts required to be
 17 deposited with the trustee or trustees shall be reduced by any other
 18 money held by the trustee or trustees and available for the debt
 19 service, except any reserves required to be held by the trustee or
 20 trustees, but shall be increased by any amount necessary to restore
 21 any reserves to their required levels. The revenues, other money,
 22 or property of the corporation that are required to be deposited
 23 with the trustee or trustees pursuant to this subsection shall
 24 continue in full force and effect until the time the distressed unit
 25 appeal board terminates the corporation's status as a distressed
 26 political subdivision pursuant to IC 6-1.1-20.3-13.

27 (c) Notwithstanding any other law, the corporation has no legal
 28 or equitable right to any revenues, other money, or property that
 29 are pledged to pay the principal of or interest on the obligations of
 30 the corporation held or owned by or arising from an agreement
 31 with the bond bank, which are held, possessed, maintained,
 32 controlled or otherwise in the custody of:

33 (1) any other political subdivision of the state; or

34 (2) any department, agency, or instrumentality of a political
 35 subdivision of the state;

36 that would otherwise be available for distribution to the
 37 corporation, unless and until the revenues, other money, or
 38 property have been or are required to be distributed to and
 39 received by the corporation.

40 SECTION 142. IC 21-29-3-3, AS AMENDED BY
 41 P.L.182-2009(ss), SECTION 365, IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 3. (a) Subject to



1 subsections (b) through (d), any state educational institution may enter
 2 into and modify, amend, or terminate one (1) or more swap agreements
 3 that the state educational institution determines to be necessary or
 4 desirable in connection with or incidental to the issuance, carrying, or
 5 securing of obligations. Swap agreements entered into by a state
 6 educational institution must:

- 7 (1) contain the provisions (including payment, term, security,
 8 default, and remedy provisions); and
 9 (2) be with the parties;

10 that the state educational institution determines are necessary or
 11 desirable after due consideration is given to the creditworthiness of the
 12 parties.

13 (b) A state educational institution may not:

- 14 (1) enter into, modify, amend, or terminate any swap agreement
 15 without the specific approval of the public finance director
 16 appointed under ~~IC 4-4-11-9~~; **IC 5-1.2-3-6**;
 17 (2) enter into any swap agreement under this section other than
 18 for the purpose of managing an interest rate or similar risk that
 19 arises in connection with or incidental to the issuance, carrying,
 20 or securing of obligations by the state educational institution; or
 21 (3) carry on a business of acting as a dealer in swap agreements.

22 (c) A swap agreement is considered as being entered into in
 23 connection with or incidental to the issuance, carrying, or securing of
 24 obligations if:

- 25 (1) the swap agreement is entered into not more than one hundred
 26 eighty (180) days after the issuance of the obligations and
 27 specifically indicates the agreement's relationship to the
 28 obligations;
 29 (2) the board of trustees of the state educational institution
 30 specifically designates the swap agreement as having a
 31 relationship to the particular obligations;
 32 (3) the swap agreement amends, modifies, or reverses a swap
 33 agreement described in subdivision (1) or (2); or
 34 (4) the terms of the swap agreement bear a reasonable
 35 relationship to the terms of the obligations.

36 (d) Payments to be made by a state educational institution to any
 37 other party under a swap agreement are payable only from the same
 38 source or sources of funds from which the related obligations are
 39 payable.

40 SECTION 143. IC 21-47-2-3, AS AMENDED BY P.L.233-2017,
 41 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2018]: Sec. 3. (a) The survey shall do the following:

EH 1374—LS 7151/DI 58



- 1 (1) Provide geological information about the water, energy, and
 2 mineral resources and geologically related hazards of Indiana.
 3 (2) Provide services that include:
 4 (A) the archiving of rock cores, well cuttings, other subsurface
 5 geological information, and other physical and chemical data on
 6 geological materials; and
 7 (B) the collection and storage of data.
 8 (3) Provide public service, information, and educational
 9 programs.
 10 (4) Engage in research.
 11 (5) Participate in cooperative studies and contractual projects with
 12 the department of natural resources and other agencies of state
 13 and federal government.
 14 (6) Participate in cooperative studies and contractual projects with
 15 state educational institutions and private educational institutions.
 16 (7) Disseminate published maps and reports and digital data.
 17 (b) The survey may also do the following through contractual
 18 agreements:
 19 (1) Provide the department of natural resources with information
 20 on the geological occurrence of ground water and the
 21 vulnerability of this resource to contamination.
 22 (2) Provide to the department of natural resources and other state
 23 agencies geological information needed for the effective
 24 regulation of the mineral, water, and energy resources of Indiana.
 25 (3) At the request of the department of natural resources, perform
 26 geotechnical investigations for a variety of mine reclamation
 27 programs.
 28 (4) Provide general geotechnical consultation and assistance as
 29 may be needed from time to time.
 30 (5) Provide technical assistance including, but not limited to,
 31 mapping and data collection as requested by the Indiana finance
 32 authority established by ~~IC 4-4-11~~ **IC 5-1.2-3**.
 33 SECTION 144. IC 22-2-15-2, AS ADDED BY P.L.110-2010,
 34 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2018]: Sec. 2. (a) The department shall develop guidelines
 36 and procedures for investigating questions and complaints concerning
 37 employee classification and a plan for implementation of those
 38 guidelines and procedures.
 39 (b) The guidelines and procedures must do the following:
 40 (1) Cover at least the following:
 41 (A) Who is eligible to file a complaint. The guidelines and
 42 procedures must allow any aggrieved person to file a complaint



- 1 and must indicate what evidence is needed to initiate an
 2 investigation.
- 3 (B) Applicable and appropriate penalties, taking into
 4 consideration:
- 5 (i) the financial impact on both employers and misclassified
 6 employees; and
- 7 (ii) whether the employer has previously misclassified
 8 employees.
- 9 (C) Mechanisms to share data with appropriate state agencies
 10 to assist those agencies in determining compliance with and
 11 enforcing state laws concerning misclassified employees and to
 12 recoup contributions owed, depending on the level of
 13 culpability.
- 14 (D) Record keeping requirements for contractors, including any
 15 records necessary for the department to investigate alleged
 16 violations concerning misclassification of employees.
- 17 (E) Investigative procedures.
- 18 (2) Apply to public works and private work projects for ~~the~~
 19 construction industry (as ~~described~~ **defined** in IC 4-13.5-1-1(3));
 20 **IC 5-1.2-2**), including demolition.
- 21 (3) Apply to any contractor that engages in construction and is
 22 authorized to do business in Indiana.
- 23 (4) Provide a remedy for an employer or a misclassified employee
 24 in response to:
- 25 (A) any retaliation that occurs as the result of an investigation
 26 or a complaint; and
- 27 (B) any complaints that the department determines are frivolous
 28 or that are filed for the purpose of harassment.
- 29 (5) Provide that in carrying out this chapter the department has
 30 the same inspection, investigative, and enforcement powers that
 31 the department has in enforcing the labor laws of this state,
 32 including powers described in IC 22-1-1.
- 33 (c) The guidelines and procedures may include other elements as
 34 determined by the department.
- 35 (d) The department shall exempt the following from the guidelines
 36 and procedures developed under this chapter:
- 37 (1) Residential construction of a single family home or duplex if
 38 the builder builds less than twenty-five (25) units each year.
- 39 (2) An owner-operator that provides a motor vehicle and the
 40 services of a driver under a written contract that is subject to
 41 IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 376, to a motor
 42 carrier.



1 SECTION 145. IC 34-30-2-2 IS REPEALED [EFFECTIVE JULY
2 1, 2018]. ~~Sec. 2: IC 4-4-11-30 and IC 4-4-21-23 (Concerning members;~~
3 ~~officers, employees, and agents of the Indiana finance authority for acts~~
4 ~~authorized by law).~~

5 SECTION 146. IC 34-30-2-3 IS REPEALED [EFFECTIVE JULY
6 1, 2018]. ~~Sec. 3: IC 4-13.5-4-4(g) (Concerning the state for monetary~~
7 ~~damages for obligations of or violation by the Indiana finance~~
8 ~~authority).~~

9 SECTION 147. IC 34-30-2-8 IS REPEALED [EFFECTIVE JULY
10 1, 2018]. ~~Sec. 8: IC 5-1-16-28 (Concerning bonds issued by the Indiana~~
11 ~~finance authority under IC 5-1-16).~~

12 SECTION 148. IC 34-30-2-8.6 IS ADDED TO THE INDIANA
13 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2018]: **Sec. 8.6. IC 5-1.2-4-8 (Concerning the**
15 **state for monetary damages for obligations of or violation by the**
16 **Indiana finance authority).**

17 SECTION 149. IC 34-30-2-8.7 IS ADDED TO THE INDIANA
18 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2018]: **Sec. 8.7. IC 5-1.2-4-17 (Concerning**
20 **the Indiana finance authority).**

21 SECTION 150. IC 34-30-2-8.8 IS ADDED TO THE INDIANA
22 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
23 [EFFECTIVE JULY 1, 2018]: **Sec. 8.8. IC 5-1.2-4-32 (Concerning**
24 **loan or financial assistance under IC 5-1.2 governing the Indiana**
25 **finance authority and the Indiana finance authority's addressing**
26 **of brownfield contamination issues).**

27 SECTION 151. IC 34-30-2-87 IS REPEALED [EFFECTIVE JULY
28 1, 2018]. ~~Sec. 87: IC 5-1-16.5-41 (Concerning members of, and persons~~
29 ~~executing bonds for, the Indiana finance authority under IC 5-1-16.5).~~

30 SECTION 152. IC 35-52-5-2.4 IS ADDED TO THE INDIANA
31 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
32 [EFFECTIVE JULY 1, 2018]: **Sec. 2.4. IC 5-1.2-4-34 defines a crime**
33 **concerning certain programs administered by the Indiana finance**
34 **authority.**

35 SECTION 153. IC 35-52-13-2 IS REPEALED [EFFECTIVE JULY
36 1, 2018]. ~~Sec. 2: IC 13-18-13-31 defines a crime concerning water~~
37 ~~pollution control.~~

38 SECTION 154. IC 35-52-13-3 IS REPEALED [EFFECTIVE JULY
39 1, 2018]. ~~Sec. 3: IC 13-18-21-31 defines a crime concerning water~~
40 ~~pollution control.~~

41 SECTION 155. IC 35-52-13-4 IS REPEALED [EFFECTIVE JULY
42 1, 2018]. ~~Sec. 4: IC 13-19-5-17 defines a crime concerning~~



1 environmental remediation revolving loan program:

2 SECTION 156. IC 36-7-4-1104, AS AMENDED BY P.L.181-2016,
3 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2018]: Sec. 1104. (a) As used in this section, "state agency"
5 means all agencies, boards, commissions, departments, and institutions,
6 including state educational institutions, of the state.

7 (b) ADVISORY—AREA. This chapter does not restrict or regulate
8 (or authorize any political subdivision, legislative body, plan
9 commission, or board of zoning appeals to restrict or regulate) the
10 exercise of the power of eminent domain by the state, by any state
11 agency, or by the Indiana finance authority (~~IC 4-4-11-4~~); **(IC 5-1.2-3)**,
12 or the use of property owned or occupied by the state, by any state
13 agency, or by the Indiana finance authority.

14 SECTION 157. IC 36-7.5-2-8, AS AMENDED BY P.L.252-2015,
15 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 UPON PASSAGE]: Sec. 8. (a) **Except as provided in subsection (c)**,
17 the development authority must comply with IC 5-22 (public
18 purchasing), IC 36-1-12 (public work projects), and any applicable
19 federal bidding statutes and regulations. An eligible political
20 subdivision that receives a loan, a grant, or other financial assistance
21 from the development authority or enters into a lease with the
22 development authority must comply with applicable federal, state, and
23 local public purchasing and bidding law and regulations. However, a
24 purchasing agency (as defined in IC 5-22-2-25) of an eligible political
25 subdivision may:

26 (1) assign or sell a lease for property to the development
27 authority; or

28 (2) enter into a lease for property with the development
29 authority; at any price and under any other terms and conditions as may be
30 determined by the eligible political subdivision and the development
31 authority. However, before making an assignment or sale of a lease or
32 entering into a lease under this section that would otherwise be subject
33 to IC 5-22, the eligible political subdivision or its purchasing agent
34 must obtain or cause to be obtained a purchase price for the property
35 to be subject to the lease from the lowest responsible and responsive
36 bidder in accordance with the requirements for the purchase of supplies
37 under IC 5-22.

38 (b) In addition to the provisions of subsection (a), with respect to
39 projects undertaken by the authority, the authority shall set a goal for
40 participation by minority business enterprises of fifteen percent (15%)
41 and women's business enterprises of five percent (5%), consistent with
42 the goals of delivering the project on time and within the budgeted



1 amount and, insofar as possible, using Indiana businesses for
 2 employees, goods, and services. In fulfilling the goal, the authority
 3 shall take into account historical precedents in the same market.

4 **(c) As an alternative to IC 36-1-12, the development authority**
 5 **may utilize and may comply with:**

6 **(1) IC 5-16;**

7 **(2) IC 5-23;**

8 **(3) IC 5-30;**

9 **(4) IC 5-32; or**

10 **(5) any combination of the articles listed in subdivisions (1)**
 11 **through (4) as determined by the NWIRDA as appropriate;**
 12 **when acquiring, financing, and constructing a public work that is**
 13 **a development project (as defined in IC 36-7.5-4.5-5).**

14 **(d) The development authority may:**

15 **(1) contract with;**

16 **(2) assign to; or**

17 **(3) delegate to;**

18 **a commuter transportation district or the NICTD to perform any**
 19 **duties and exercise any powers of the development authority under**
 20 **this chapter.**

21 SECTION 158. IC 36-7.5-3-1, AS AMENDED BY P.L.192-2015,
 22 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 UPON PASSAGE]: Sec. 1. The development authority shall do the
 24 following:

25 (1) Subject to ~~section~~ **sections 1.5 and 1.7** of this chapter, assist
 26 in the coordination of local efforts concerning projects.

27 (2) Assist a commuter transportation district, an airport authority,
 28 the Lake Michigan marina and shoreline development
 29 commission, a regional transportation authority, and a regional
 30 bus authority in coordinating regional transportation and
 31 economic development efforts.

32 (3) Subject to ~~section~~ **sections 1.5 and 1.7** of this chapter, fund
 33 projects as provided in this article.

34 (4) Fund bus services (including fixed route services and flexible
 35 or demand-responsive services) and projects related to bus
 36 services and bus terminals, stations, or facilities.

37 SECTION 159. IC 36-7.5-3-1.5, AS AMENDED BY P.L.204-2016,
 38 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 UPON PASSAGE]: Sec. 1.5. (a) **Except as provided in section 1.7 of**
 40 **this chapter**, this section applies to revenue received by the authority
 41 to the extent that the revenue has not been pledged or otherwise
 42 obligated to pay bonds or leases entered into before July 1, 2015, **for**



- 1 **a project other than a rail project.**
- 2 (b) The authority may expend money received under this article to
- 3 fund economic development projects only to the extent that:
- 4 (1) the development board finds that the economic development
- 5 project is a destination based economic development project
- 6 evaluated under IC 36-7.5-2-1(4) or is consistent with:
- 7 (A) a duty imposed upon the development authority under
- 8 section 1(2) or 1(4) of this chapter; or
- 9 (B) the Marquette Plan; and
- 10 (2) funding the project is reviewed by the state budget committee
- 11 under subsection (c).
- 12 (c) The development board shall submit to the state budget
- 13 committee for review and comment any proposal to fund an economic
- 14 development project (including any destination based economic
- 15 development project) under this article. The state budget committee
- 16 shall review any proposal received under this subsection and may
- 17 request that the authority appear at a public meeting of the state budget
- 18 committee concerning the funding proposal. **This subsection does not**
- 19 **apply to a rail project financed under IC 5-1.3.**
- 20 SECTION 160. IC 36-7.5-3-1.7 IS ADDED TO THE INDIANA
- 21 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
- 22 [EFFECTIVE UPON PASSAGE]: **Sec. 1.7. (a) This section applies to**
- 23 **a rail project.**
- 24 **(b) Notwithstanding section 1.5 of this chapter, and except for**
- 25 **revenue received by the development authority and pledged or**
- 26 **otherwise obligated to pay bonds or leases entered into before July**
- 27 **1, 2015, for a project other than a rail project, the development**
- 28 **authority may expend money received under this article to fund a**
- 29 **rail project.**
- 30 SECTION 161. IC 36-7.5-4-1, AS AMENDED BY THE
- 31 TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL
- 32 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 33 UPON PASSAGE]: Sec. 1. (a) The development board shall establish
- 34 and administer a development authority **revenue** fund.
- 35 (b) The development authority **revenue** fund consists of the
- 36 following:
- 37 (1) Riverboat admissions tax revenue, riverboat wagering tax
- 38 revenue, or riverboat incentive payments received by a city or
- 39 county described in IC 36-7.5-2-3(b) and transferred by the
- 40 county or city to the fund.
- 41 (2) Local income tax revenue dedicated to economic development
- 42 purposes by a county or city and transferred by the county or city



- 1 to the fund.
- 2 (3) Amounts distributed under IC 8-15-2-14.7.
- 3 (4) Food and beverage tax revenue deposited in the fund under
- 4 IC 6-9-36-8.
- 5 (5) Funds received from the federal government.
- 6 (6) Appropriations to the fund by the general assembly.
- 7 (7) Other local revenue appropriated to the fund by a political
- 8 subdivision.
- 9 (8) *Amounts transferred to the fund under IC 36-7.5-4.5.*
- 10 ~~(8)~~ (9) Gifts, donations, and grants to the fund.
- 11 (c) ~~The development authority shall establish a development~~
- 12 ~~authority fund.~~ The development board shall establish and administer
- 13 a general account, a lease rental account, and such other any accounts
- 14 in the fund as that are necessary or appropriate to carry out the powers
- 15 and duties of the development authority.
- 16 **(d) The development board shall establish separate accounts for**
- 17 **funding that are expressly committed to:**
- 18 **(1) the mainline double tracking project; or**
- 19 **(2) the West Lake corridor project.**
- 20 (e) A separate fund or account may be established to comply
- 21 with the requirements of:
- 22 **(1) a grant received from any federal agency or department;**
- 23 **(2) a grant received from the state;**
- 24 **(3) state appropriations;**
- 25 **(4) gifts, bequests, or donations;**
- 26 **(5) the issuance of obligations;**
- 27 **(6) the execution of leases; or**
- 28 **(7) any other purpose.**
- 29 (f) Except as otherwise provided by law, ~~or~~ agreement with holders
- 30 of any obligations of the development authority, *or subsection ~~(d)~~, (g)*,
- 31 all money transferred to the development authority **revenue** fund under
- 32 subsection (b)(1), (b)(2), and (b)(4) shall be ~~deposited in the lease~~
- 33 ~~rental account and~~ used only for the payment of or to secure the
- 34 payment of obligations of an eligible political subdivision under a lease
- 35 entered into by an eligible political subdivision and the development
- 36 authority under this chapter. *However, any money Money deposited in*
- 37 ~~the lease rental account and not used for the purposes of this subsection~~
- 38 *pledged to payment of any existing or future leases or reasonably*
- 39 *necessary for the purposes of this article shall* may be returned by the
- 40 treasurer of the development authority to the respective counties and
- 41 cities that contributed the money to the development authority.
- 42 ~~(d)~~ (g) If the amount of money transferred to the development



1 authority **revenue** fund under subsection (b)(1), (b)(2), and (b)(4) for
 2 deposit in the lease rental account in any one (1) calendar year is
 3 greater than an amount equal to:

- 4 (1) one and twenty-five hundredths (1.25); multiplied by
 5 (2) the total of the highest annual debt service on any bonds then
 6 outstanding to their final maturity date, which have been issued
 7 under this article and are not secured by a lease, plus the highest
 8 annual lease payments on any leases to their final maturity, which
 9 are then in effect under this article;

10 all or a portion of the excess may instead be deposited in the general
 11 account.

12 ~~(e)~~ **(h)** Except as otherwise provided by law or agreement with the
 13 holders of obligations of the development authority, all other money
 14 and revenues of the development authority ~~may be deposited in the~~
 15 ~~general account or the lease rental account at the discretion of the~~
 16 ~~development board. Money on deposit in the lease rental account may~~
 17 ~~be used only to make rental payments on leases entered into by the~~
 18 ~~development authority under this article. Money on deposit in the~~
 19 ~~general account may be used for any purpose authorized by this article.~~

20 ~~(f)~~ **(i)** The development authority **revenue** fund shall be
 21 administered by the development authority.

22 ~~(g)~~ **(j)** Money in the development authority **revenue** fund shall be
 23 used by the development authority to carry out this article and does not
 24 revert to any other fund.

25 **(k) This section includes full authority for the creation of any**
 26 **fund or account by the development authority and for an**
 27 **agreement with any person to hold or manage a fund or account.**

28 SECTION 162. IC 36-7.5-4-2, AS AMENDED BY P.L.248-2017,
 29 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 UPON PASSAGE]: Sec. 2. (a) Except as provided in subsections (b)
 31 and (d), the fiscal officer of each city and county described in
 32 IC 36-7.5-2-3(b) shall each transfer three million five hundred
 33 thousand dollars (\$3,500,000) each year to the development authority
 34 for deposit in the development authority **revenue** fund established
 35 under section 1 of this chapter. However, if a county having a
 36 population of more than one hundred fifty thousand (150,000) but less
 37 than one hundred seventy thousand (170,000) ceases to be a member
 38 of the development authority and two (2) or more municipalities in the
 39 county have become members of the development authority as
 40 authorized by IC 36-7.5-2-3(i), the transfer of the local income tax
 41 revenue that is dedicated to economic development purposes that is
 42 required to be transferred under IC 6-3.6-11-6 is the contribution of the



1 municipalities in the county that have become members of the
2 development authority.

3 (b) This subsection applies only if:

4 (1) the fiscal body of the county described in IC 36-7.5-2-3(e) has
5 adopted an ordinance under IC 36-7.5-2-3(e) providing that the
6 county is joining the development authority;

7 (2) the fiscal body of the city described in IC 36-7.5-2-3(e) has
8 adopted an ordinance under IC 36-7.5-2-3(e) providing that the
9 city is joining the development authority; and

10 (3) the county described in IC 36-7.5-2-3(e) is an eligible county
11 participating in the development authority.

12 The fiscal officer of the county described in IC 36-7.5-2-3(e) shall
13 transfer two million six hundred twenty-five thousand dollars
14 (\$2,625,000) each year to the development authority for deposit in the
15 development authority **revenue** fund established under section 1 of this
16 chapter. The fiscal officer of the city described in IC 36-7.5-2-3(e) shall
17 transfer eight hundred seventy-five thousand dollars (\$875,000) each
18 year to the development authority for deposit in the development
19 authority **revenue** fund established under section 1 of this chapter.

20 (c) This subsection does not apply to Lake County, Hammond, Gary,
21 or East Chicago. The following apply to the remaining transfers
22 required by subsections (a) and (b):

23 (1) Except for transfers of money described in subdivision (4)(D),
24 the transfers shall be made without appropriation by the city or
25 county fiscal body or approval by any other entity.

26 (2) Except as provided in subdivision (3), each fiscal officer shall
27 transfer eight hundred seventy-five thousand dollars (\$875,000)
28 to the development authority **revenue** fund before the last
29 business day of January, April, July, and October of each year.
30 Food and beverage tax revenue deposited in the fund under
31 IC 6-9-36-8 is in addition to the transfers required by this section.

32 (3) The fiscal officer of the county described in IC 36-7.5-2-3(e)
33 shall transfer six hundred fifty-six thousand two hundred fifty
34 dollars (\$656,250) to the development authority **revenue** fund
35 before the last business day of January, April, July, and October
36 of each year. The county is not required to make any payments or
37 transfers to the development authority covering any time before
38 January 1, 2017. The fiscal officer of a city described in
39 IC 36-7.5-2-3(e) shall transfer two hundred eighteen thousand
40 seven hundred fifty dollars (\$218,750) to the development
41 authority **revenue** fund before the last business day of January,
42 April, July, and October of each year. The city is not required to



1 make any payments or transfers to the development authority
2 covering any time before January 1, 2017.

3 (4) The transfers shall be made from one (1) or more of the
4 following:

5 (A) Riverboat admissions tax revenue received by the city or
6 county, riverboat wagering tax revenue received by the city or
7 county, or riverboat incentive payments received from a
8 riverboat licensee by the city or county.

9 (B) Any local income tax revenue that is dedicated to
10 economic development purposes under IC 6-3.6-6 and
11 received under IC 6-3.6-9 by the city or county.

12 (C) Any other local revenue other than property tax revenue
13 received by the city or county.

14 (D) In the case of a county described in IC 36-7.5-2-3(e) or a
15 city described in IC 36-7.5-2-3(e), any money from the major
16 moves construction fund that is distributed to the county or
17 city under IC 8-14-16.

18 (d) This subsection applies only to Lake County, Hammond, Gary,
19 and East Chicago. The obligations of each city and the county under
20 subsection (a) are satisfied by the distributions made by the auditor of
21 state on behalf of each unit under IC 4-33-12-6(d) and IC 4-33-13-5(j).
22 However, if the total amount distributed under IC 4-33 on behalf of a
23 unit with respect to a particular state fiscal year is less than the amount
24 required by subsection (a), the fiscal officer of the unit shall transfer
25 the amount of the shortfall to the authority from any source of revenue
26 available to the unit other than property taxes. The auditor of state shall
27 certify the amount of any shortfall to the fiscal officer of the unit after
28 making the distribution required by IC 4-33-13-5(j) on behalf of the
29 unit with respect to a particular state fiscal year.

30 (e) **A transfer made on behalf of a county, city, or town under
31 this section after December 31, 2018:**

32 **(1) is considered to be a payment for services provided to
33 residents by a rail project as those services are rendered; and
34 (2) does not impair any pledge of revenues under this article
35 because a pledge by the development authority of transferred
36 revenue under this section to the payment of bonds, leases, or
37 obligations under this article or IC 5-1.3:**

38 **(A) constitutes the obligations of the northwest Indiana
39 regional development authority; and**

40 **(B) does not constitute an indebtedness of a county, city, or
41 town described in this section or of the state within the
42 meaning or application of any constitutional or statutory**



- 1 **provision or limitation.**
- 2 **(f) Neither the transfer of revenue as provided in this section**
- 3 **nor the pledge of revenue transferred under this section is an**
- 4 **impairment of contract within the meaning or application of any**
- 5 **constitutional provision or limitation because of the following:**
- 6 **(1) The statutes governing local taxes, including the**
- 7 **transferred revenue, have been the subject of legislation**
- 8 **annually since 1973, and during that time the statutes have**
- 9 **been revised, amended, expanded, limited, and recodified**
- 10 **dozens of times.**
- 11 **(2) Owners of bonds, leases, or other obligations to which**
- 12 **local tax revenues have been pledged recognize that the**
- 13 **regulation of local taxes has been extensive and consistent.**
- 14 **(3) All bonds, leases, or other obligations, due to their**
- 15 **essential contractual nature, are subject to relevant state and**
- 16 **federal law that is enacted after the date of a contract.**
- 17 **(4) The state of Indiana has a legitimate interest in assisting**
- 18 **the development authority in financing rail projects.**
- 19 **(g) All proceedings had and actions described in this section are**
- 20 **valid pledges under IC 5-1-14-4 as of the date of those proceedings**
- 21 **or actions and are hereby legalized and declared valid if taken**
- 22 **before March 15, 2018.**
- 23 SECTION 163. IC 36-7.5-4-2.5 IS ADDED TO THE INDIANA
- 24 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 25 [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. (a) This section applies to**
- 26 **a unit that has previously:**
- 27 **(1) entered into an interlocal cooperation or other similar**
- 28 **agreement;**
- 29 **(2) adopted an ordinance or resolution; or**
- 30 **(3) taken any other action offering to support and finance:**
- 31 **(A) a rail project or rail projects under this chapter; or**
- 32 **(B) the double tracking project under IC 36-7.5-4.5.**
- 33 **(b) The unit may use any legally available revenue to support**
- 34 **and finance the projects described in subsection (a)(3), including**
- 35 **additional revenue allocated each year for economic development**
- 36 **under IC 6-3.6-6-9.**
- 37 **(c) Additional revenue allocated for economic development to**
- 38 **support and finance the projects under this section shall be paid by**
- 39 **the treasurer of state to the treasurer of the northwest Indiana**
- 40 **regional development authority under section 2 of this chapter**
- 41 **before certified distributions are made to the county or any civil**
- 42 **taxing unit in the county or counties in which the unit is located.**



1 **(d) A transfer made on behalf of a unit under subsection (c)**
 2 **after December 31, 2018, is considered to be a payment for services**
 3 **provided to residents by a rail project as those services are**
 4 **rendered.**

5 **(e) A pledge by the development authority of transferred**
 6 **revenue under this section to the payment of bonds, leases, or**
 7 **obligations under this article or IC 5-1.3:**

8 **(1) constitutes the obligations of the northwest Indiana**
 9 **regional development authority; and**

10 **(2) does not constitute an indebtedness of:**

11 **(A) a unit described in this section; or**

12 **(B) the state;**

13 **within the meaning or application of any constitutional or**
 14 **statutory provision or limitation.**

15 **(f) Neither the transfer of revenue nor the pledge of revenue**
 16 **transferred under this section is an impairment of contract within**
 17 **the meaning or application of any constitutional provision or**
 18 **limitation because of the following:**

19 **(1) The statutes governing local income taxes, including the**
 20 **transferred revenue, have been the subject of legislation**
 21 **annually since 1973, and during that time the statutes have**
 22 **been revised, amended, expanded, limited, and recodified**
 23 **dozens of times.**

24 **(2) Owners of bonds, leases, or other obligations to which**
 25 **local income tax revenues have been pledged recognize that**
 26 **the regulation of local income taxes has been extensive and**
 27 **consistent.**

28 **(3) All bonds, leases, or other obligations, due to their**
 29 **essential contractual nature, are subject to relevant state and**
 30 **federal law that is enacted after the date of a contract.**

31 **(4) The state of Indiana has a legitimate interest in assisting**
 32 **the northwest Indiana regional development authority in**
 33 **financing rail projects.**

34 **(g) All proceedings had and actions described in this section are**
 35 **valid pledges under IC 5-1-14-4 as of the date of those proceedings**
 36 **or actions and are hereby legalized and declared valid if taken**
 37 **before March 15, 2018.**

38 SECTION 164. IC 36-7.5-4-3, AS AMENDED BY P.L.252-2015,
 39 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 UPON PASSAGE]: Sec. 3. (a) The development authority may issue
 41 bonds for the purpose of obtaining money to pay the cost of:

42 (1) acquiring real or personal property, including existing capital



- 1 improvements;
- 2 (2) acquiring, constructing, improving, reconstructing, or
- 3 renovating one (1) or more projects; or
- 4 (3) funding or refunding bonds issued under this chapter or
- 5 IC 8-5-15, IC 8-22-3, ~~IC 36-7-13.5~~, or IC 36-9-3 or prior law.
- 6 (b) The bonds are payable solely from:
- 7 (1) the lease rentals from the lease of the projects for which the
- 8 bonds were issued, insurance proceeds, and any other funds
- 9 pledged or available; and
- 10 (2) except as otherwise provided by law, revenue received by the
- 11 development authority and amounts deposited in the development
- 12 authority **revenue** fund.
- 13 (c) The bonds shall be authorized by a resolution of the
- 14 development board.
- 15 (d) The terms and form of the bonds shall either be set out in the
- 16 resolution or in a form of trust indenture approved by the resolution.
- 17 (e) The bonds shall mature within forty (40) years.
- 18 (f) The board shall sell the bonds only to the Indiana finance
- 19 authority established by ~~IC 4-4-11-4~~ **IC 5-1.2-3** upon the terms
- 20 determined by the development board and the Indiana finance
- 21 authority.
- 22 (g) All money received from any bonds issued under this chapter
- 23 shall be applied solely to the payment of the cost of acquiring,
- 24 constructing, improving, reconstructing, or renovating one (1) or more
- 25 projects, or the cost of refunding or refinancing outstanding bonds, for
- 26 which the bonds are issued. The cost may include:
- 27 (1) planning and development of equipment or a facility and all
- 28 buildings, facilities, structures, equipment, and improvements
- 29 related to the facility;
- 30 (2) acquisition of a site and clearing and preparing the site for
- 31 construction;
- 32 (3) equipment, facilities, structures, and improvements that are
- 33 necessary or desirable to make the project suitable for use and
- 34 operations;
- 35 (4) architectural, engineering, consultant, and attorney's fees;
- 36 (5) incidental expenses in connection with the issuance and sale
- 37 of bonds;
- 38 (6) reserves for principal and interest;
- 39 (7) interest during construction;
- 40 (8) financial advisory fees;
- 41 (9) insurance during construction;
- 42 (10) municipal bond insurance, debt service reserve insurance,



1 letters of credit, or other credit enhancement; and
 2 (11) in the case of refunding or refinancing, payment of the
 3 principal of, redemption premiums (if any) for, and interest on,
 4 the bonds being refunded or refinanced.

5 SECTION 165. IC 36-7.5-4-5, AS ADDED BY P.L.214-2005,
 6 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 UPON PASSAGE]: Sec. 5. (a) The development authority may secure
 8 bonds issued under this chapter by a trust indenture between the
 9 development authority and a corporate trustee, which may be any trust
 10 company or national or state bank within Indiana that has trust powers.

11 (b) The trust indenture may:

12 (1) pledge or assign revenue received by the development
 13 authority, amounts deposited in the development authority
 14 **revenue** fund, and lease rentals, receipts, and income from leased
 15 projects, but may not mortgage land or projects;

16 (2) contain reasonable and proper provisions for protecting and
 17 enforcing the rights and remedies of the bondholders, including
 18 covenants setting forth the duties of the development authority
 19 and development board;

20 (3) set forth the rights and remedies of bondholders and trustees;
 21 and

22 (4) restrict the individual right of action of bondholders.

23 (c) Any pledge or assignment made by the development authority
 24 under this section is valid and binding in accordance with IC 5-1-14-4
 25 from the time that the pledge or assignment is made, against all persons
 26 whether they have notice of the lien or not. Any trust indenture by
 27 which a pledge is created or an assignment made need not be filed or
 28 recorded. The lien is perfected against third parties in accordance with
 29 IC 5-1-14-4.

30 SECTION 166. IC 36-7.5-4-7, AS ADDED BY P.L.214-2005,
 31 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 UPON PASSAGE]: Sec. 7. (a) Before a lease may be entered into by
 33 an eligible political subdivision under this chapter, the eligible political
 34 subdivision must find that the lease rental provided for is fair and
 35 reasonable.

36 (b) A lease of land or a project from the development authority to an
 37 eligible political subdivision:

38 (1) may not have a term exceeding forty (40) years;

39 (2) may not require payment of lease rentals for a newly
 40 constructed project or for improvements to an existing project
 41 until the project or improvements to the project have been
 42 completed and are ready for occupancy or use;



- 1 (3) may contain provisions:
- 2 (A) allowing the eligible political subdivision to continue to
- 3 operate an existing project until completion of the acquisition,
- 4 improvements, reconstruction, or renovation of that project or
- 5 any other project; and
- 6 (B) requiring payment of lease rentals for land, for an existing
- 7 project being used, reconstructed, or renovated, or for any
- 8 other existing project;
- 9 (4) may contain an option to renew the lease for the same or
- 10 shorter term on the conditions provided in the lease;
- 11 (5) must contain an option for the eligible political subdivision to
- 12 purchase the project upon the terms stated in the lease during the
- 13 term of the lease for a price equal to the amount required to pay
- 14 all indebtedness incurred on account of the project, including
- 15 indebtedness incurred for the refunding of that indebtedness;
- 16 (6) may be entered into before acquisition or construction of a
- 17 project;
- 18 (7) may provide that the eligible political subdivision shall agree
- 19 to:
- 20 (A) pay any taxes and assessments on the project;
- 21 (B) maintain insurance on the project for the benefit of the
- 22 development authority;
- 23 (C) assume responsibility for utilities, repairs, alterations, and
- 24 any costs of operation; and
- 25 (D) pay a deposit or series of deposits to the development
- 26 authority from any funds legally available to the eligible
- 27 political subdivision before the commencement of the lease to
- 28 secure the performance of the eligible political subdivision's
- 29 obligations under the lease; and
- 30 (8) shall provide that the lease rental payments by the eligible
- 31 political subdivision shall be made from the development
- 32 authority **revenue** fund established by section 1 of this chapter
- 33 and may provide that the lease rental payments by the eligible
- 34 political subdivision shall be made from:
- 35 (A) net revenues of the project;
- 36 (B) any other funds available to the eligible political
- 37 subdivision; or
- 38 (C) both sources described in clauses (A) and (B).
- 39 SECTION 167. IC 36-7.5-4-18, AS ADDED BY P.L.248-2017,
- 40 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 41 UPON PASSAGE]: Sec. 18. **Subject to IC 5-1.3**, the development
- 42 authority is the exclusive fiscal officer for and has final approval for



1 financing a transportation project involving a rail project as defined in
 2 ~~IC 36-7.5-4.5-12~~; **under this article.**

3 SECTION 168. IC 36-7.5-4.5-0.5 IS ADDED TO THE INDIANA
 4 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 5 [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. As used in this chapter,**
 6 **"associate member" refers to a county or municipality that**
 7 **adopted an ordinance or resolution under section 16 of this chapter**
 8 **specifying that the county or municipality has chosen to become an**
 9 **associate member.**

10 SECTION 169. IC 36-7.5-4.5-2.5 IS ADDED TO THE INDIANA
 11 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 12 [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. As used in this chapter,**
 13 **"cash participant" refers to a county or municipality that has**
 14 **adopted an ordinance or resolution under section 16 of this chapter**
 15 **specifying that the county or municipality has chosen to become a**
 16 **cash participant.**

17 SECTION 170. IC 36-7.5-4.5-16.5 IS ADDED TO THE INDIANA
 18 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 19 [EFFECTIVE UPON PASSAGE]: **Sec. 16.5. (a) This section applies**
 20 **to an associate member or cash participant that has committed to:**

- 21 (1) **make a cash payment to the development authority; or**
 22 (2) **provide revenues to the development authority annually to**
 23 **make debt service payments annually for the life of any:**

24 (A) **bonds or obligations issued; or**

25 (B) **leases entered into;**

26 **by the development authority;**

27 **to finance the mainline double tracking project.**

28 (b) **A transfer of funds made by a cash participant or an**
 29 **associate member under this section after December 31, 2018, is**
 30 **considered to be a payment for services provided to residents by**
 31 **the mainline double tracking project (as described in section 12 of**
 32 **this chapter) as those services are rendered.**

33 (c) **A transfer of funds under this section does not constitute an**
 34 **indebtedness of:**

35 (1) **an associate member;**

36 (2) **a cash participant; or**

37 (3) **the state;**

38 **within the meaning or application of any constitutional or**
 39 **statutory provision or limitation.**

40 (d) **A pledge by the development authority of transferred**
 41 **revenue under this section to the payment of bonds, leases, or**
 42 **obligations under this article or IC 5-1.3, to these bonds, leases, or**



- 1 obligations:
- 2 (1) constitutes the obligations of the development authority;
- 3 and
- 4 (2) does not constitute an indebtedness of:
- 5 (A) an associate member;
- 6 (B) a cash participant; or
- 7 (C) the state;
- 8 within the meaning or application of any constitutional or
- 9 statutory provision or limitation.
- 10 (e) Neither the transfer of revenue nor the pledge of revenue
- 11 transferred under this section is an impairment of contract within
- 12 the meaning or application of any constitutional provision or
- 13 limitation because of the following:
- 14 (1) The statutes governing local government revenues,
- 15 including the transferred revenue, have been the subject of
- 16 legislation annually since 1973, and during that time the
- 17 statutes have been revised, amended, expanded, limited, and
- 18 recodified dozens of times.
- 19 (2) Owners of bonds, leases, or other obligations to which
- 20 local government revenues have been pledged recognize that
- 21 the regulation of government revenues has been extensive and
- 22 consistent.
- 23 (3) All bonds, leases, or other obligations, due to their
- 24 essential contractual nature, are subject to relevant state and
- 25 federal law that is enacted after the date of a contract.
- 26 (4) The state of Indiana has a legitimate interest in assisting
- 27 the northwest Indiana regional development authority in
- 28 financing rail projects, including the mainline double tracking
- 29 project.
- 30 SECTION 171. [EFFECTIVE UPON PASSAGE] (a) The
- 31 legislative council is urged to assign an appropriate interim study
- 32 committee for study during the 2018 legislative interim the subject
- 33 of requiring performance and payment bonds for future
- 34 public-private projects.
- 35 (b) This SECTION expires January 1, 2019.
- 36 SECTION 172. [EFFECTIVE UPON PASSAGE] (a) The
- 37 legislative council is urged to assign to an appropriate interim
- 38 study committee the task of studying potential funding mechanisms
- 39 to assist local units of government to address:
- 40 (1) sewer and water projects, including storm water
- 41 management projects;
- 42 (2) improving storm water drainage systems; and



1 **(3) helping to upgrade deteriorating wastewater and storm**
2 **water infrastructure.**
3 **(b) This SECTION expires January 1, 2019.**
4 **SECTION 173. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1374, 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 22, delete lines 2 through 42.

Page 23, line 1, delete "(3)" and insert "(2)".

Page 23, delete lines 3 through 5.

Page 23, line 19, delete "IC 5-1.2-8," and insert "**IC 5-1.2-9**".

Page 23, line 34, delete "IC 5-1.2-1;" and insert "**IC 5-1.2-9; and**".

Page 23, line 37, delete "; and" and insert ".".

Page 23, delete lines 38 through 40.

Page 24, line 40, delete ""Environmental remediation" and insert **""Indiana brownfields"**.

Page 24, line 41, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 24, line 42, delete ""Environmental remediation" and insert **""Indiana brownfields"**.

Page 25, line 1, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 25, line 8, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 25, line 10, after "the" insert **"water"**.

Page 25, line 11, after "local" insert **"transportation"**.

Page 25, line 38, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 26, line 14, delete "and".

Page 26, line 19, after "illness;" insert **"or"**.

Page 26, delete lines 21 through 24, begin a new line double blocked indented and insert:

"(C) as a licensed child caring institution that provides residential care described in IC 12-7-2-29(1) or corresponding provisions of the laws of the state in which the facility or building is located."

Page 26, line 36, delete "and".

Page 26, line 41, after "illness;" insert **"or"**.

Page 27, delete lines 1 through 4, begin a new line blocked indented and insert:

"(3) is a licensed child caring institution providing residential care described in IC 12-7-2-29(1) or corresponding provisions of the laws of the state in which the property is located."



Page 27, delete lines 7 through 8.

Page 27, line 9, delete "38." and insert "37."

Page 27, line 11, delete "39." and insert "38."

Page 27, line 14, delete "40." and insert "39."

Page 27, line 17, delete "41." and insert "40."

Page 27, line 24, delete "42." and insert "41."

Page 27, line 28, delete "43." and insert "42."

Page 27, line 31, delete "44." and insert "43."

Page 27, line 31, before "infrastructure" insert "**transportation**".

Page 27, line 33, delete "45. "Local" and insert "**44. "Local transportation**".

Page 27, line 34, after "local" insert "**transportation**".

Page 27, line 35, delete "46. "Local" and insert "**45. "Local transportation**".

Page 27, line 36, before "infrastructure" insert "**transportation**".

Page 27, line 36, after "local" insert "**transportation**".

Page 27, line 38, delete "47." and insert "46."

Page 27, line 40, delete "48." and insert "47."

Page 28, line 2, delete "49." and insert "48."

Page 28, line 5, delete "50." and insert "49."

Page 28, line 9, delete "51." and insert "50."

Page 28, line 14, delete "52." and insert "51."

Page 28, line 17, delete "53." and insert "52."

Page 28, line 22, delete "54." and insert "53."

Page 29, line 3, delete "55." and insert "54."

Page 29, line 19, delete "environmental remediation" and insert "**Indiana brownfields**".

Page 29, line 21, after "the" insert "**water**".

Page 29, line 28, after "local" insert "**transportation**".

Page 29, line 37, delete "56." and insert "55."

Page 31, line 25, delete "57." and insert "56."

Page 31, line 28, delete "58." and insert "57."

Page 31, between lines 39 and 40, begin new paragraph and insert:

"Sec. 58. "Pollution", for purposes of IC 5-1.2-9, means all forms of environmental pollution, including water pollution, air pollution, sewage, solid and radioactive waste, thermal pollution, radiation contamination, and noise pollution.

Sec. 58.4. "Pollution control facility", for purposes of IC 5-1.2-9, means a facility for the abatement, reduction, or prevention of pollution or for the removal or treatment of any substances in materials being processed that otherwise would cause pollution when used. This includes the following:



(1) Coal washing, coal cleaning, or coal preparation facilities designed to reduce the sulfur and ash levels of Indiana coal.

(2) Coal-fired boiler facilities designed to reduce emissions while burning Indiana coal.

(3) Pollution control equipment to allow for the environmentally sound use of Indiana coal."

Page 31, line 42, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 32, line 3, after "the" insert **"water"**.

Page 32, line 5, after "local" insert **"transportation"**.

Page 32, line 19, after "article," insert **"IC 5-1-17, IC 5-1-17.5,"**.

Page 32, line 42, delete "environmental".

Page 33, line 1, delete "remediation" and insert **"Indiana brownfields"**.

Page 34, line 8, delete "under this chapter".

Page 35, between lines 2 and 3, begin new paragraph and insert:

"Sec. 83. "Water infrastructure assistance program" refers to the infrastructure assistance program established by IC 5-1.2-14."

Page 35, line 12, delete "six (6)" and insert **"seven (7)"**.

Page 35, delete lines 20 through 23, begin new paragraph and insert:

"(d) The sixth and seventh members are nonvoting members. Each of these members must be a member of the general assembly. The chairperson and the vice chairperson of the legislative council shall each appoint one (1) of the nonvoting members."

Page 46, delete lines 17 through 31, begin new line block indented and insert:

"(1) enter into leases and issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to:

(A) acquire obligations issued by any entity authorized to acquire, finance, construct, or lease capital improvements under IC 5-1-17;

(B) acquire any obligations issued by the northwest Indiana regional development authority established by IC 36-7.5-2-1; or

(C) carry out the purposes of IC 5-1-17.5 within a motorsports investment district.

(2) perform any other functions determined by the authority to be necessary or appropriate to carry out the purposes of this section."

Page 48, line 35, delete "11" and insert **"10"**.

Page 50, delete lines 7 through 9.



Page 50, line 10, delete "(d)" and insert "(c)".

Page 50, line 17, delete "(e)" and insert "(d)".

Page 50, line 17, delete "section:" and insert "**section are not:**".

Page 50, line 18, delete "are not".

Page 50, line 20, delete "are".

Page 54, line 14, delete "subsections (b) and (c)," and insert "**subsection (b),**".

Page 57, delete lines 17 through 23, begin a new paragraph and insert:

"Sec. 34. The public finance director shall prepare an annual report that provides an update on transportation projects in which the authority is involved."

Page 57, line 24, after "submitted" insert "**to the legislative council**".

Page 59, line 22, after "bonds" insert "**are appropriated for and**".

Page 65, line 15, after "bonds" insert "**are appropriated for and**".

Page 67, line 6, delete "The authority may initiate" and insert "**(a) The authority has all the powers necessary to carry out and effectuate its public purposes under this chapter, including initiating**".

Page 67, between lines 9 and 10, begin new line block indented and insert:

"(1) Provide, or cause to be provided by a participating provider, by acquisition, lease, construction, fabrication, repair, restoration, reconditioning, refinancing, or installation, health facility property to be located within a health facility.

(2) Lease as lessor any item of health facility property for those rentals and upon the terms and conditions as the authority considers advisable and are not in conflict with this chapter.

(3) To charge to and apportion among participating providers its administrative costs and expenses incurred in the exercise of the powers and duties conferred by this chapter and IC 5-1.2-4.

(4) Assist, coordinate, and participate with other issuers of tax exempt bonds and public officials in other states in connection with financings or refinancings on behalf of multiple state health facilities. Assistance, coordination, and participation provided under this subdivision may include conducting any hearings required by state or federal law in order for bonds to be issued by public officials in other states if part of the



proceeds of the bonds will be used by participating providers in Indiana. Neither the state of Indiana nor the authority, nor any officers, agents, or employees of the state or the authority, are subject to any liability resulting from assistance to or coordination or participation with other issuers of tax exempt bonds under this subsection. Any assistance, coordination, or participation provided under this subsection is given with the understanding that the issuers of tax exempt bonds or borrowers will agree to indemnify and hold harmless the state of Indiana and the authority and their officers, agents, and employees from all claims and liability arising from any action against the state of Indiana or the authority relating to the bonds.

(5) Employ and enter into agreements with, and delegate to any person as the authority sees fit, the power to manage the routine affairs of the authority, including the originating and processing of any applications from participating providers for the lease or purchase from the authority, or financing, reimbursing, or refinancing by the authority, of health facility property and to service the leases, installment purchase contracts, and loan agreements between the authority and the participating providers."

Page 67, line 10, delete "(1)" and insert "**(6)**".

Page 67, line 16, delete "(2)" and insert "**(7)**".

Page 67, line 17, delete "IC 5-1.2-4-1(a)(10)," and insert "**IC 5-1.2-4-1(a)(10) and IC 5-1.2-4-1(a)(33)**".

Page 67, line 21, delete "(3)" and insert "**(8)**".

Page 67, line 31, delete "(4)" and insert "**(9)**".

Page 67, line 39, delete "(5)" and insert "**(10)**".

Page 67, line 42, delete "(6)" and insert "**(11)**".

Page 68, line 3, delete "(7)" and insert "**(12)**".

Page 68, line 6, delete "(8)" and insert "**(13)**".

Page 68, between lines 11 and 12, begin new paragraph and insert:

"(b) No part of the revenues or assets of the authority may inure to the benefit of or be distributable to its members or officers or other private persons. Any net earnings of the authority beyond that necessary for retirement of authority indebtedness or to implement the public purposes of this chapter inure to the benefit of the state. Upon termination or dissolution of the authority, all rights and properties of the authority pass to and are vested in the state, subject to the rights of lien holders and other creditors."

Page 68, between lines 20 and 21, begin new paragraph and insert:



"Sec. 7. (a) The authority may issue, sell, and deliver its bonds, in accordance with IC 5-1.2-4 and this chapter, for the purpose of paying for or making loans to participating providers for the financing, reimbursing, or refinancing of all or any part of the cost of health facility property, to finance the acquisition of health facility property for lease or sale to participating providers, and any other purposes authorized by this chapter.

(b) The authority may provide for the issuance of bonds of the authority for the purpose of refunding any bonds of the authority then outstanding, including the payment of any redemption premium on these bonds and any interest accrued or to accrue to the earliest or any subsequent date of redemption, purchase or maturity of these bonds, and, if considered advisable by the authority, for the additional purpose of paying all or any part of the cost of health facility property.

(c) The proceeds of any bonds issued for the purpose of refunding outstanding bonds may, in the discretion of the authority, be applied to the purchase or retirement at maturity or redemption of the outstanding bonds either on their earliest or any subsequent redemption date or upon the purchase or at the maturity of the bonds and may, pending such an application, be placed in escrow to be applied to the purchase or retirement at maturity or redemption on the date as may be determined by the authority. Subject to the provisions of any trust indenture to the contrary, any of the escrowed proceeds, pending such a use, may be invested and reinvested in obligations as are determined by the authority to assure the prompt payment of the principal and interest and redemption premium, if any, on the outstanding bonds to be so refunded. The interest, income, and profits, if any, earned or realized on such an investment may also be applied to the payment of the outstanding bonds to be so refunded. Only after the terms of the escrow have been fully satisfied and carried out, any balance of the proceeds and interest, income, and profits, if any, earned or realized on the investments shall be returned to the authority or the participating providers for use by them in any lawful manner. All the bonds are subject to this chapter in the same manner and to the same extent as other bonds issued under this chapter.

(d) The proceeds of the bonds (other than refunding bonds) of each issue shall be used for the payment of all or part of the cost of, or for the making of a loan in the amount of all or part of the cost of, the health facility property for which the bonds have been



authorized and, at the option of the authority, for the deposit to a reserve fund or reserve funds for the bonds. However, the authority may be paid, out of money from the proceeds of the sale and delivery of its bonds issued in accordance with this chapter, all of the authority's out-of-pocket expenses and costs in connection with the issuance, sale, and delivery of the bonds, and the costs of obtaining insurance, guarantees, and letters of credit securing payment of the bonds and the lease and the loan and installment purchase payments, plus an amount equal to the compensation paid to any employees of the authority for the time those employees have spent on activities relating to the issuance, sale, and delivery of the bonds. Bond proceeds shall be disbursed in the manner and under the restrictions determined by the authority.

Sec. 8. (a). Any bond resolution or related trust indenture, indenture of mortgage, or deed of trust may contain provisions, which must be a part of the contract with the holders of the bonds to be authorized, as to pledging or assigning the revenues generated by the health facility property, pledging or assigning the notes and mortgage, lease, or other security given by the participating providers whose health facility property has been financed with the proceeds of the bonds or other specified revenues or property of the authority."

Page 68, line 21, delete "7." and insert "9."

Page 68, line 24, delete "or of notes".

Page 68, line 28, after "(2)" insert "a pooling of notes and".

Page 68, line 34, delete "8." and insert "10."

Page 68, between lines 35 and 36, begin new paragraph and insert:

"Sec. 11. Any holder of bonds or any coupons appertaining to the bonds, and the trustee under any trust agreement or resolution authorizing the issuance of the bonds, except to the extent the rights given in this chapter may be restricted by the trust agreement or resolution, may, either at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce any and all rights under the laws of Indiana, or under the trust agreement resolution, or under any other contract executed by the authority under this chapter, and enforce and compel the performance of all duties required by this chapter or by the agreement or resolution to be performed by the authority or by any officer of the authority.

Sec. 12. All property acquired or held by the authority under this chapter is declared to be public property used for public and governmental purposes, and all property, income from the



property and bonds issued under this chapter, interest payable on the bonds and income derived from the bonds, are exempt from all taxes, direct or indirect, imposed by the state, any county, any city, or any political subdivision of the state.

Sec. 13. Nothing in this chapter may be construed as a restriction or limitation upon any powers which the authority might otherwise have under any other law of this state, and this chapter is cumulative to these powers. This chapter shall be construed to provide a complete, additional, and alternative method for the doing of the things authorized, and shall be construed as supplemental to powers conferred by any other laws. The adoption by the authority of bylaws and rules, and the issuance of bonds by the authority under this chapter need not comply with the requirements of any other state laws applicable to the adoption of bylaws and rules and the issuance of bonds, notes, and other obligations. No proceedings, notice, or approval is required for the issuance of any bonds or any instrument or the security for the bonds or instruments, or for the proper conduct of the authority's business, affairs, or operations, except as provided in this chapter."

Page 68, line 36, delete "9." and insert "14."

Page 69, line 14, delete "10." and insert "15."

Page 69, line 30, delete "11." and insert "16."

Page 70, line 20, delete "12." and insert "17."

Page 71, line 1, delete "13." and insert "18."

Page 71, line 5, delete "9 or 10" and insert "14 or 15".

Page 72, line 28, delete "14." and insert "19."

Page 73, line 11, delete "15." and insert "20."

Page 73, line 20, delete "16." and insert "21."

Page 74, line 8, delete "17." and insert "22."

Page 83, line 17, after "not" insert "**exclusively either a pollution control facility or**".

Page 83, line 19, delete "and".

Page 83, line 23, delete "state." and insert "**state; and**".

Page 83, between lines 23 and 24, begin a new line block indented and insert:

"(6) for pollution control facilities, describes the facilities and how they will abate, reduce, or prevent pollution."

Page 84, line 3, delete "This resolution may also authorize the".

Page 84, delete lines 4 through 13.

Page 88, between lines 9 and 10, begin new paragraph and insert:

"(b) With respect to any bonds issued under this chapter, the



cumulative terms of refunding bonds may not exceed fifty (50) years."

Page 88, line 10, delete "(b)" and insert "(c)".

Page 88, line 20, delete "(c)" and insert "(d)".

Page 88, line 27, delete "state." and insert "**state, except for pollution control equipment."**

Page 90, line 1, delete "only".

Page 90, line 3, delete "only".

Page 90, line 41, delete "The" and insert "**For the purposes of this chapter, the"**.

Page 97, line 40, delete "Environmental Remediation Revolving Loan" and insert "**Indiana Brownfields"**.

Page 98, line 3, delete "environmental remediation revolving loan" and insert "**Indiana brownfields"**.

Page 98, line 26, delete "environmental remediation" and insert "**Indiana brownfields"**.

Page 98, line 33, delete "environmental remediation" and insert "**Indiana brownfields"**.

Page 98, line 34, delete "environmental remediation" and insert "**Indiana brownfields"**.

Page 98, line 36, delete "environmental remediation" and insert "**Indiana brownfields"**.

Page 98, line 39, delete "environmental".

Page 98, line 40, delete "remediation" and insert "**Indiana brownfields"**.

Page 98, line 42, delete "environmental remediation" and insert "**Indiana brownfields"**.

Page 99, line 5, delete "environmental remediation" and insert "**Indiana brownfields"**.

Page 99, line 20, delete "environmental".

Page 99, line 21, delete "remediation" and insert "**Indiana brownfields"**.

Page 99, line 25, delete "environmental remediation" and insert "**Indiana brownfields"**.

Page 99, line 38, delete "environmental remediation" and insert "**Indiana brownfields"**.

Page 100, line 26, delete "environmental remediation" and insert "**Indiana brownfields"**.

Page 100, line 30, delete "environmental remediation" and insert "**Indiana brownfields"**.

Page 100, line 34, delete "environmental remediation" and insert "**Indiana brownfields"**.



Page 100, line 35, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 101, line 33, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 102, line 5, delete "environmental".

Page 102, line 6, delete "remediation" and insert **"Indiana brownfields"**.

Page 102, line 7, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 102, line 28, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 102, line 29, delete "may" and insert **"shall"**.

Page 103, line 10, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 103, line 32, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 103, line 38, after "to" insert **"or for the benefit of"**.

Page 103, line 39, after "to" insert **"or for the benefit of"**.

Page 104, line 1, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 104, line 16, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 104, line 18, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 104, line 29, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 105, line 6, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 105, line 20, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 105, line 23, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 106, line 9, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 106, line 19, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 106, line 20, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 106, delete line 36.

Page 106, line 37, delete "remediation" and insert **"the Indiana brownfields program and the Indiana brownfields"**.

Page 107, line 6, delete "to a" and insert **"to or for the benefit of a"**.



- Page 110, line 41, after "14." insert **"Water"**.
- Page 111, line 3, after "The" insert **"water"**.
- Page 111, line 4, after "The" insert **"water"**.
- Page 111, line 34, before "infrastructure" insert **"water"**.
- Page 111, line 41, after "the" insert **"water"**.
- Page 112, line 32, after "the" insert **"water"**.
- Page 112, line 34, after "the" insert **"water"**.
- Page 113, line 39, after "the" insert **"water"**.
- Page 114, line 8, after "the" insert **"water"**.
- Page 114, line 22, after "the" insert **"water"**.
- Page 114, line 25, after "the" insert **"water"**.
- Page 114, line 38, after "the" insert **"water"**.
- Page 115, line 2, after "the" insert **"water"**.
- Page 115, line 7, after "the" insert **"water"**.
- Page 115, line 17, after "the" insert **"water"**.
- Page 115, line 19, after "the" insert **"water"**.
- Page 115, line 38, after "the" insert **"water"**.
- Page 116, line 12, after "the" insert **"water"**.
- Page 116, line 18, after "Local" insert **"Transportation"**.
- Page 116, line 21, after "local" insert **"transportation"**.
- Page 116, line 23, after "local" insert **"transportation"**.
- Page 117, line 14, after "local" insert **"transportation"**.
- Page 117, line 42, after "local" insert **"transportation"**.
- Page 118, line 3, after "local" insert **"transportation"**.
- Page 118, line 11, after "local" insert **"transportation"**.
- Page 118, line 30, after "local" insert **"transportation"**.
- Page 118, line 34, after "local" insert **"transportation"**.
- Page 120, line 1, delete "6" and insert "7".
- Page 120, line 23, after "local" insert **"transportation"**.
- Page 123, line 40, after "PROJECTS" insert **"FOR THE NORTHWEST INDIANA REGIONAL DEVELOPMENT AUTHORITY AND THE NORTHERN INDIANA COMMUTER TRANSPORTATION DISTRICT"**.
- Page 124, delete lines 6 through 19.
- Page 124, line 20, delete "(5)" and insert **"(2)"**.
- Page 124, line 26, delete "(6)" and insert **"(3)"**.
- Page 125, line 8, delete "NWIRDA" and insert **"IFA, the NWIRDA,"**.
- Page 125, line 35, delete "or".
- Page 125, line 36, after "NWIRDA;" insert **"or"**.
- Page 125, between lines 36 and 37, begin a new line block indented and insert:



"(3) the NICTD;"

Page 127, line 26, delete "northwest" and insert "**northern**".

Page 128, line 12, delete "includes" and insert "**includes, but is not limited to,**".

Page 128, line 13, after "equipment," insert "**rail track, embankments, rights of way, sidings, passenger stations or platforms, parking lots, overpasses, railroad bridges, ancillary structures and related safety systems equipment and technology,**".

Page 129, line 24, delete "(referred" and insert "**(each entity referred**".

Page 129, line 32, delete "(referred" and insert "**(each entity referred**".

Page 131, line 19, after "NICTD" insert "**may utilize and**".

Page 131, line 26, delete "(5);" and insert "**(5) as determined by the NWIRDA or the NICTD, whichever is appropriate;**".

Page 131, line 35, after "to" insert "**and for the construction of**".

Page 134, line 24, delete "fifty (50)" and insert "**forty (40)**".

Page 142, line 23, delete "IC 5-1.2-2-55);" and insert "**IC 5-1.2-2-54);**".

Page 158, between lines 30 and 31, begin a new paragraph and insert:

"SECTION 45. IC 5-28-28.5-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 0.5. As used in this chapter, "broadband services" includes services, including voice, video, and data, that provide capacity for transmission of more than three hundred eighty-four (384) kilobits per second in at least one (1) direction regardless of the technology or medium used, including wireless, copper wire, fiber optic cable, or coaxial cable. If voice transmission capacity is offered in conjunction with other services using transmission of more than three hundred eighty-four (384) kilobits per second, the voice transmission capacity may be less than three hundred eighty-four (384) kilobits per second. The authority shall annually reconsider the three hundred eighty-four (384) kilobits threshold under this section with a bias toward raising the threshold in a manner consistent with technological advances.**

SECTION 46. IC 5-28-28.5-8, AS ADDED BY P.L.33-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 8. (a) As used in this section, "broadband adoption" refers to an agreement by a customer to subscribe to broadband services (as defined in IC 8-1-33-8) that are:**



- (1) offered by a communications service provider; and
- (2) available to the customer.

(b) A unit that wishes to be certified as a broadband ready community must establish a procedure to promote broadband adoption in the unit after the unit is certified as a broadband ready community. The procedure must include the following:

- (1) A single point of contact in charge of broadband adoption in the unit.
- (2) An assurance that each communications service provider that already provides broadband services in the unit will be notified that the unit is applying to be a broadband ready community.
- (3) An assurance that the unit will work with communications service providers to promote broadband adoption in the unit.

(c) A procedure established under subsection (b) may not do the following:

- (1) Discriminate among communications service providers with respect to promoting broadband adoption in the unit.
- (2) Impose a fee on communications service providers to fund promotion of broadband adoption in the unit.

SECTION 47. IC 5-28-30-1 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 4: As used in this chapter, "broadband development project" means a project authorized by the broadband development program under IC 8-1-33."~~

Page 159, line 21, delete "(9)".

Page 159, line 21, strike "A broadband development project."

Page 162, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 55. IC 5-28-33-8 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 8: In implementing this chapter, the corporation shall consult with the Indiana finance authority to avoid unnecessary duplication of efforts under this chapter and IC 8-1-33."~~

Page 170, between lines 30 and 31, begin a new paragraph and insert:

"SECTION 62. IC 8-1-29.5-7, AS AMENDED BY P.L.162-2007, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 7. (a) In imposing a civil penalty under section 6(b)(4) of this chapter, the commission may consider the following factors:

- (1) The duration and gravity of the offense, including the number of customers affected.
- (2) Economic benefits accrued by the provider or certificate holder as a result of the offense.



(3) The amount of a civil penalty that will deter future offenses by the provider or certificate holder.

(4) The market share of the provider or certificate holder in the affected service areas.

(5) Good faith of the provider or certificate holder in attempting to remedy the offense after receiving notification of the offense.

(b) If the commission waives a civil penalty for any offense described in section 6(b)(4) of this chapter, the commission must make a written finding as to why it is waiving the civil penalty. The commission may waive a civil penalty under section 6(b)(4) of this chapter if the commission finds that the offense is the result of any of the following:

(1) Technological infeasibility.

(2) An act of God.

(3) A defect in, or prohibited use of, customer provided equipment.

(4) A negligent act of a customer.

(5) An emergency situation.

(6) Unavoidable casualty.

(c) The secretary of the commission shall direct a civil penalty imposed and collected under section 6(b)(4) of this chapter as follows:

(1) A civil penalty imposed for an offense that directly affects retail customers must be refunded directly to the customers of the provider or certificate holder in the form of credits on customer bills.

(2) A civil penalty imposed for an offense not described in subdivision (1) must be deposited into an account designated by the Indiana economic development corporation for use by the corporation in making loans or grants to broadband developers and operators. ~~under the Indiana broadband development program established by IC 8-1-33-15.~~

Page 171, delete lines 13 through 17, begin a new paragraph and insert:

"SECTION 65. IC 8-1-33 IS REPEALED [EFFECTIVE JULY 1, 2018]. (Indiana Broadband Development Program)."

Page 183, line 41, delete "7(b)(3)" and insert "**7(b)(4)**".

Page 187, line 23, delete "IC 5-1.2-9-27(a), IC 5-1.2-9-27(b)," and insert "**IC 5-1.2-9-27**,".

Page 187, line 39, delete "IC 5-1.2-9-27(a), IC 5-1.2-9-27(b)," and insert "**IC 5-1.2-9-27**,".

Page 189, line 26, delete "IC 5-1.2-4-17." and insert "**IC 5-1.2-4-19**,".



Page 200, line 22, strike "environmental remediation".

Page 200, line 23, after "loan" insert "**Indiana brownfields**".

Page 210, line 36, strike "environmental remediation revolving loan" and insert "**the Indiana brownfields**".

Page 211, line 39, after "authority" insert "**may utilize and**".

Page 212, line 4, delete "(4);" and insert "**(4) as determined by the NWIRDA or the NICTD, whichever is appropriate;**".

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1374 as introduced.)

BROWN T

Committee Vote: yeas 18, nays 0.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1374 be amended to read as follows:

Page 2, line 16, delete "2018]." and insert "2019]."

Page 216, line 28, delete "NWIRDA or the NICTD," and insert "**NWIRDA as appropriate;**".

Page 216, delete line 29.

(Reference is to HB 1374 as printed January 29, 2018.)

SOLIDAY

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1374, 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 13, between lines 32 and 33, begin a new paragraph and insert:

"SECTION 17. IC 4-37-3-1, AS ADDED BY P.L.167-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1. The corporation is governed by a board of

EH 1374—LS 7151/DI 58



trustees that consists of the following members:

(1) Thirteen (13) persons appointed by the governor who are voting members. The governor's appointments **under this subdivision** must meet the following criteria:

- (A) Each member must be a resident of Indiana.
- (B) Not more than two (2) members may reside in the same county.
- (C) At least one (1) member must be a recognized supporter of historic sites.
- (D) Not more than seven (7) members may be from the same political party.

(2) One (1) person who is appointed at-large by the governor and who is a voting member. The member appointed under this subdivision must be a resident of Indiana but may reside in any county.

~~(2)~~ **(3)** Twelve (12) persons appointed by the board who are voting members. The board's appointments **under this subdivision** must meet the following criteria:

- (A) Each member must be a resident of Indiana.
- (B) Not more than two (2) members may reside in the same county.
- (C) At least one (1) member must be a recognized supporter of historic sites.
- (D) Not more than six (6) members may be from the same political party.

(4) One (1) person who is appointed at-large by the board and who is a voting member. The member appointed under this subdivision must be a resident of Indiana but may reside in any county.

~~(3)~~ **(5)** The following persons serve as nonvoting members of the board:

- (A) The chief executive officer.
- (B) The governor or the governor's designee.
- (C) One (1) member of the house of representatives appointed by the chairman of the legislative council.
- (D) One (1) member of the senate appointed by the chairman of the legislative council.
- (E) The director of the department of natural resources or the director's designee.

The members appointed under clauses (C) and (D) must be from different political parties and serve at the pleasure of the chairman of the legislative council."



- Page 22, line 1, after "university;" insert "**and**".
- Page 22, line 3, delete "workshop; and" and insert "**workshop.**".
- Page 23, delete lines 35 through 38.
- Page 23, line 39, delete "Sec. 27." and insert "**Sec. 25.**".
- Page 23, line 41, delete "Sec. 28." and insert "**Sec. 26.**".
- Page 24, line 16, delete "Sec. 29." and insert "**Sec. 27.**".
- Page 24, line 24, delete "Sec. 30." and insert "**Sec. 28.**".
- Page 24, line 26, delete "Sec. 31." and insert "**Sec. 29.**".
- Page 24, line 28, delete "Sec. 32." and insert "**Sec. 30.**".
- Page 24, line 31, delete "Sec. 33." and insert "**Sec. 31.**".
- Page 24, line 34, delete "Sec. 34." and insert "**Sec. 32.**".
- Page 25, line 19, delete "Sec. 35." and insert "**Sec. 33.**".
- Page 25, line 40, delete "Sec. 36." and insert "**Sec. 34.**".
- Page 25, between lines 41 and 42, begin a new paragraph and insert:
"Sec. 35. "Indiana brownfields fund" refers to the Indiana brownfields fund established by IC 5-1.2-12-3.
- Sec. 36. "Indiana brownfields program" refers to the Indiana brownfields revolving loan program established by IC 5-1.2-12-2.**
- Page 30, line 15, after "A" insert "**licensed**".
- Page 31, line 28, after "financing" insert "**a health facility and**".
- Page 38, line 17, after "aquaculture experts," insert "**health care experts,**".
- Page 39, line 17, after "lease" insert "**(as lessee or lessor)**".
- Page 39, line 18, delete "use, and" and insert "**use, or**".
- Page 41, delete lines 34 through 35.
- Page 41, line 36, delete "(31)" and insert "**(30)**".
- Page 41, line 38, delete "(32)" and insert "**(31)**".
- Page 41, line 39, delete "(33)" and insert "**(32)**".
- Page 42, line 6, delete "(34)" and insert "**(33)**".
- Page 42, line 9, delete "(35)" and insert "**(34)**".
- Page 42, line 9, after "convey," insert "**mortgage, pledge, assign,**".
- Page 42, line 12, delete "(36)" and insert "**(35)**".
- Page 42, line 14, delete "(37)" and insert "**(36)**".
- Page 42, line 16, delete "(38)" and insert "**(37)**".
- Page 42, line 22, delete "(39)" and insert "**(38)**".
- Page 42, line 29, delete "(40)" and insert "**(39)**".
- Page 42, line 36, delete "(41)" and insert "**(40)**".
- Page 42, line 42, delete "(42)" and insert "**(41)**".
- Page 47, line 15, delete "issue, except" and insert "**issue.**".
- Page 47, line 16, delete "as provided in section 11 of this chapter."
- Page 53, between lines 7 and 8, begin a new paragraph and insert:
"Sec. 26. Any holder of bonds or any coupons appertaining to



the bonds, and the trustee under any trust agreement or resolution authorizing the issuance of the bonds, except to the extent the rights given in this article may be restricted by the trust agreement or resolution, may, either at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce any and all rights under the laws of Indiana, or under the trust agreement or resolution, or under any other contract executed by the authority under this article, and enforce and compel the performance of all duties required by this article or by the trust agreement or resolution to be performed by the authority or by any officer of the authority."

Page 53, line 8, delete "26." and insert "27."

Page 53, line 9, delete "is" and insert "are".

Page 53, line 10, after "statutes," insert **"except to the extent payable from grants or advances from participating providers or any other entity, which grants or advances may be reimbursed from bond proceeds,"**.

Page 53, line 16, delete "27." and insert "28."

Page 53, line 33, delete "28." and insert "29."

Page 53, line 41, delete "29." and insert "30."

Page 54, line 23, delete "30." and insert "31."

Page 55, line 23, delete "31." and insert "32."

Page 55, line 41, delete "32." and insert "33."

Page 56, line 15, delete "33." and insert "34."

Page 56, line 19, delete "34." and insert "35."

Page 56, line 23, delete "35." and insert "36."

Page 66, line 36, delete "subsection" and insert **"subdivision"**.

Page 68, line 20, delete "lien holders" and insert **"lienholders"**.

Page 70, line 1, delete "(a)."

Page 70, line 25, delete "chapter." and insert **"chapter, and no liability may be incurred by the authority or the state beyond the extent to which money has been provided under this chapter."**

Page 70, delete lines 26 through 37.

Page 70, line 38, delete "12." and insert "11."

Page 71, line 3, delete "13." and insert "12."

Page 71, line 19, delete "14." and insert "13."

Page 71, line 39, delete "15." and insert "14."

Page 72, line 13, delete "16." and insert "15."

Page 72, line 13, delete "9 or 10" and insert **"13 or 14"**.

Page 73, line 3, delete "17." and insert "16."

Page 73, line 3, delete "11" and insert "15".

Page 73, line 26, delete "18." and insert "17."



Page 73, line 30, delete "14 or 15" and insert "**13 or 14**".

Page 75, line 11, delete "19." and insert "**18.**".

Page 75, line 36, delete "20." and insert "**19.**".

Page 76, line 3, delete "21." and insert "**20.**".

Page 76, line 33, delete "22." and insert "**21.**".

Page 81, between lines 9 and 10, begin a new paragraph and insert:

"Sec. 17. The authority may provide for the issuance of bonds of the authority:

(1) to refund any bonds of the authority then outstanding, including the payment of any redemption premium on the bonds and any interest accrued or to accrue to the earlier or any subsequent date of redemption, purchase, or maturity of the bonds; and

(2) if determined advisable by the authority, for the additional purpose of paying all or any part of the cost of constructing and acquiring additions, improvements, extensions, or enlargements of a project or any part of an addition, improvement, extension, or enlargement of an educational facility project. However, no refunding bonds may be issued unless the authority provides for the payment of rentals adequate to satisfy the requirements of section 13 of this chapter.

Sec. 18. The proceeds of any bonds issued for the purpose of refunding outstanding bonds may, in the discretion of the authority:

(1) be applied to the purchase or retirement at maturity or redemption of the outstanding bonds either on their earliest or any subsequent redemption date or upon the purchase or at the maturity of the outstanding bonds; and

(2) pending the application of the proceeds, be placed in escrow to be applied to the purchase or retirement at maturity or redemption of the outstanding bonds on a date determined by the authority.

Sec. 19. Any escrowed proceeds, pending use for the refunding of outstanding bonds, may be invested and reinvested in:

(1) direct obligations of the United States of America; or

(2) obligations having the timely payment of principal and interest unconditionally guaranteed by the United States of America;

maturing at a time or times that are appropriate to assure the prompt payment of the principal and interest and redemption premium, if any, on the outstanding bonds to be refunded. Any



interest, income, and profits earned or realized on any investment may also be applied to the payment of the outstanding bonds to be refunded. Only after the terms of the escrow have been fully satisfied and carried out, any balance of the proceeds and any interest, income, and profits earned or realized on the investments described in this section must be returned to the nonprofit college or university for use by the nonprofit college or university in any lawful manner.

Sec. 20. All bonds issued to refund outstanding bonds of the authority are subject to this chapter in the same manner and to the same extent as other bonds issued under this chapter."

- Page 81, line 10, delete "17." and insert "21."
- Page 81, line 18, delete "18." and insert "22."
- Page 81, line 34, delete "19." and insert "23."
- Page 81, line 34, delete "18" and insert "22".
- Page 82, line 3, delete "18" and insert "22".
- Page 82, line 6, delete "18" and insert "22".
- Page 82, line 11, delete "20." and insert "24."
- Page 82, line 12, delete "18 and 19" and insert "22 and 23".
- Page 82, line 19, delete "21." and insert "25."
- Page 82, line 19, delete "14" and insert "15".
- Page 82, line 21, delete "18 through 20" and insert "22 through 24".
- Page 92, line 33, delete "for the:" and insert "for:".
- Page 92, line 34, after "(A)" insert "the".
- Page 92, line 35, after "(B)" insert "the".
- Page 92, line 36, after "(C)" insert "the".
- Page 92, line 37, after "(D)" insert "the".
- Page 92, line 38, after "(E)" insert "the".
- Page 92, line 39, after "(F)" insert "the".
- Page 92, line 40, after "of" insert "the activities described in".
- Page 93, line 3, delete "Any" and insert "Carry out any".
- Page 95, between lines 26 and 27, begin a new paragraph and insert:

"Sec. 16. A loan or other financial assistance from either fund must be accompanied by the following:

- (1) All papers and opinions required by the authority.
- (2) Unless otherwise provided by the guidelines of the authority, the following:
 - (A) An approving opinion of nationally recognized bond counsel.
 - (B) A certification and guarantee of signatures.
 - (C) A certification that, as of the date of the loan or other financial assistance:



(i) no litigation is pending challenging the validity of or entry into the loan or other financial assistance or any security for the loan or other financial assistance; or
 (ii) if litigation is pending, the litigation will not have a material adverse effect on the validity of the loan or other financial assistance or any security for the loan or other financial assistance.

(D) If litigation is pending, as an alternative to the certification described in clause (C), an opinion of legal counsel that the litigation will not have a material adverse effect on the validity of the loan or other financial assistance."

Page 95, line 27, delete "16." and insert "17."

Page 95, line 33, delete "17." and insert "18."

Page 95, line 37, delete "18." and insert "19."

Page 96, line 9, after "section" delete ",".

Page 96, line 28, delete "19." and insert "20."

Page 97, line 5, delete "20." and insert "21."

Page 97, line 13, delete "21." and insert "22."

Page 97, line 15, delete "22." and insert "23."

Page 98, line 2, delete "23." and insert "24."

Page 100, between lines 15 and 16, begin a new paragraph and insert:

"Sec. 10. A loan or other financial assistance from the fund must be accompanied by the following:

(1) All papers and opinions required by the authority.

(2) Unless otherwise provided by the guidelines of the authority, the following:

(A) An approving opinion of nationally recognized bond counsel.

(B) A certification and guarantee of signatures.

(C) A certification that, as of the date of the loan or other financial assistance:

(i) no litigation is pending challenging the validity of or entry into the loan or other financial assistance or any security for the loan or other financial assistance; or
 (ii) if litigation is pending, the litigation will not have a material adverse effect on the validity of the loan or other financial assistance or any security for the loan or other financial assistance.

(D) If litigation is pending, as an alternative to the certification described in clause (C), an opinion of legal



counsel that the litigation will not have a material adverse effect on the validity of the loan or other financial assistance."

Page 100, line 16, delete "10." and insert "11."

Page 100, between lines 20 and 21, begin a new paragraph and insert:

"Chapter 11.5. Monitoring, Study, and Assessment by the Indiana Finance Authority

Sec. 1. As used in this chapter, "governmental requirement" means a requirement imposed on a utility by a governmental unit in connection with:

- (1) the federal Clean Water Act (33 U.S.C. 1251 et seq.);**
- (2) the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.); or**
- (3) any other law, order, rule, or regulation administered or issued by the United States Environmental Protection Agency, the department of environmental management, or the department of natural resources in connection with the federal Clean Water Act or the federal Safe Drinking Water Act.**

Sec. 2. As used in this chapter, "utility" means:

- (1) a public utility (as defined in IC 8-1-2-1(a));**
- (2) a municipally owned utility (as defined in IC 8-1-2-1(h));**
- or**
- (3) a not-for-profit utility (as defined in IC 8-1-2-125(a));**

that provides water or wastewater service to the public.

Sec. 3. The IFA shall monitor and study events and conditions that bear upon the ability of utilities to provide clean and safe drinking water in Indiana for the foreseeable future, including the ability of utilities to directly or indirectly fund the increasing costs of meeting governmental requirements.

Sec. 4. The powers of the IFA under section 3 of this chapter include the following:

- (1) Assessing issues related to service line ownership and replacement.**
- (2) Assessing the challenges that utilities are likely to encounter as they become subject to more stringent governmental requirements.**
- (3) Studying cost recovery mechanisms that enable utilities to respond quickly to system needs.**
- (4) Monitoring the growing costs for utilities in complying with consent decrees related to governmental requirements.**



(5) Studying regional water ownership issues, including cross-border issues."

Page 101, line 8, delete "environmental" and **"Indiana brownfields"**.

Page 101, line 9, delete "remediation".

Page 101, line 41, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 102, line 4, delete "environmental" and insert **"Indiana brownfields"**.

Page 102, line 5, delete "remediation".

Page 106, delete lines 29 through 30.

Page 106, line 31, delete "(4)" and insert **"(3)"**.

Page 107, line 2, delete "environmental" and insert **"Indiana brownfields"**.

Page 107, line 3, delete "remediation".

Page 107, line 13, delete "environmental" and insert **"Indiana brownfields"**.

Page 107, line 14, delete "remediation".

Page 107, line 15, delete "environmental remediation" and insert **"Indiana brownfields"**.

Page 107, between lines 33 and 34, begin a new paragraph and insert:

"Sec. 9. A loan or other financial assistance from the fund must be accompanied by the following:

(1) All papers and opinions required by the authority.

(2) Unless otherwise provided by the guidelines of the authority, the following:

(A) An approving opinion of nationally recognized bond counsel.

(B) A certification and guarantee of signatures.

(C) A certification that, as of the date of the loan or other financial assistance:

(i) no litigation is pending challenging the validity of or entry into the loan or other financial assistance or any security for the loan or other financial assistance; or

(ii) if litigation is pending, the litigation will not have a material adverse effect on the validity of the loan or other financial assistance or any security for the loan or other financial assistance.

(D) If litigation is pending, as an alternative to the certification described in clause (C), an opinion of legal counsel that the litigation will not have a material adverse



effect on the validity of the loan or other financial assistance."

Page 107, line 34, delete "9." and insert "**10.**".

Page 107, line 36, delete "10." and insert "**11.**".

Page 108, line 7, delete "environmental" and insert "**Indiana brownfields**".

Page 108, line 8, delete "remediation".

Page 108, line 34, delete "11." and insert "**12.**".

Page 109, line 19, delete "12." and insert "**13.**".

Page 109, line 21, delete "environmental" and insert "**Indiana brownfields**".

Page 109, line 22, delete "remediation".

Page 109, line 28, delete "9" and insert "**10**".

Page 112, between lines 17 and 18, begin a new paragraph and insert:

"Sec. 11. A loan or other financial assistance from the fund must be accompanied by the following:

(1) All papers and opinions required by the authority.

(2) Unless otherwise provided by the guidelines of the authority, the following:

(A) An approving opinion of nationally recognized bond counsel.

(B) A certification and guarantee of signatures.

(C) A certification that, as of the date of the loan or other financial assistance:

(i) no litigation is pending challenging the validity of or entry into the loan or other financial assistance or any security for the loan or other financial assistance; or

(ii) if litigation is pending, the litigation will not have a material adverse effect on the validity of the loan or other financial assistance or any security for the loan or other financial assistance.

(D) If litigation is pending, as an alternative to the certification described in clause (C), an opinion of legal counsel that the litigation will not have a material adverse effect on the validity of the loan or other financial assistance."

Page 112, line 18, delete "11." and insert "**12.**".

Page 112, line 33, delete "12." and insert "**13.**".

Page 118, line 42, after "of the" insert "**Indiana**".

Page 120, line 30, delete "financing" and insert "**financial assistance**".



Page 120, line 42, delete "financing" and insert **"financial assistance"**.

Page 121, line 5, delete "infrastructure" and insert **"transportation infrastructure"**.

Page 121, line 14, after "local" insert **"transportation"**.

Page 121, line 24, after "local" insert **"transportation"**.

Page 122, line 17, after "to the" insert **"local transportation"**.

Page 122, line 28, delete "financing agreement. A financing agreement is" and insert **"financial assistance agreement. A financial assistance agreement is"**.

Page 122, between lines 40 and 41, begin a new paragraph and insert:

"Sec. 10. A loan or other financial assistance from the fund must be accompanied by the following:

- (1) All papers and opinions required by the authority.**
- (2) Unless otherwise provided by the guidelines of the authority, the following:**

- (A) An approving opinion of nationally recognized bond counsel.**

- (B) A certification and guarantee of signatures.**

- (C) A certification that, as of the date of the loan or other financial assistance:**

- (i) no litigation is pending challenging the validity of or entry into the loan or other financial assistance or any security for the loan or other financial assistance; or**

- (ii) if litigation is pending, the litigation will not have a material adverse effect on the validity of the loan or other financial assistance or any security for the loan or other financial assistance.**

- (D) If litigation is pending, as an alternative to the certification described in clause (C), an opinion of legal counsel that the litigation will not have a material adverse effect on the validity of the loan or other financial assistance."**

Page 122, line 41, delete "10." and insert **"11."**

Page 123, line 1, delete "11." and insert **"12."**

Page 123, line 3, delete "12." and insert **"13."**

Page 123, line 5, delete "13." and insert **"14."**

Page 123, line 12, delete "IC 5-1.2-4-28." and insert **"IC 5-1.2-4-29."**

Page 123, line 13, delete "14." and insert **"15."**

Page 123, line 17, delete "15." and insert **"16."**



Page 140, line 31, after "Sec. 6." insert "(a)".

Page 140, between lines 39 and 40, begin a new paragraph and insert:

"(b) If the IFA establishes a debt service reserve fund for any such bonds or notes, the IFA may establish a procedure for the IFA or a person acting on behalf of the IFA to certify to the general assembly the amount needed to restore such debt service reserve fund to a required level or levels, if the establishment of the procedure is reviewed by the budget committee and approved by the budget director."

Page 144, line 6, delete "cancelled," and insert "**canceled**,".

Page 144, line 14, delete "cancelled," and insert "**canceled**,".

Page 165, line 4, delete "shall" and insert "**may**".

Page 211, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 135. IC 16-22-8-2.3 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 2.3. As used in this chapter, "bond bank" means the local public improvement bond bank established pursuant to IC 5-1.4 by the city located in the county in which the corporation is established.**

SECTION 136. IC 16-22-8-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 2.5. As used in this chapter, "building authority" means the building authority established pursuant to IC 36-9-13 by the county in which the corporation is established.**

SECTION 137. IC 16-22-8-56 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 56. (a) This section applies notwithstanding any other law.**

(b) A pledge of revenues, other money, or property made by the corporation to secure the repayment of its bonds or leases entered into with the building authority, regardless of when it was made, is binding from the time the pledge is, or was, made. The pledge, as of the date the pledge is or was made, creates a statutory lien upon these revenues, other money, or property of the corporation so pledged at the time the pledge is, or was, made. Revenues, other money, or property pledged and then received by the corporation, or which after the pledge may be held, possessed, maintained or controlled by, or otherwise in the custody of:

(1) any other political subdivision of the state; or



(2) any department, agency, or instrumentality of a political subdivision of the state;

under any other law, are immediately subject to the statutory lien of the pledge, with the statutory lien immediately and automatically attaching to the revenues, other money, or property pledged, without any further act. The statutory lien of a pledge is binding against all parties having claims of any kind in tort, contract, or otherwise, against the corporation, regardless of whether the parties have notice of any lien. No resolution, ordinance, indenture, or any other instrument by which a pledge is created needs to be filed or recorded except in the records of the corporation.

(c) To the extent that the corporation has pledged any revenues, other money, or property to secure the repayment of its bonds or leases entered into with the building authority, the following apply:

(1) The revenues, other money, or property so pledged and then received by the corporation, or which after the pledge, may be held, possessed, maintained or controlled by, or otherwise in the custody of:

(A) any other political subdivision of the state; or

(B) any department, agency, or instrumentality of a political subdivision of the state;

under any other law, up to an amount necessary to pay debt service on or to maintain a reserve fund or any required coverage ratio in any calendar year or bond year with respect to such an obligation, shall be used for the repayment of the obligation and for no other purpose until the obligation for that calendar year or bond year is fully paid in accordance with its terms.

(2) The corporation is prohibited from consenting to or permitting, and shall never be construed as consenting to or permitting, without the consent of one hundred percent (100%) of the owners of all its bonds then outstanding and those bonds then outstanding that are secured by the leases entered into with the building authority, the use of the pledged revenues for any purpose, except as described in subdivision (1).

(3) The revenues, other money, or property, which after the pledge, may be held, possessed, maintained or controlled by, or otherwise in the custody of:

(A) any other political subdivision of the state; or

(B) any department, agency, or instrumentality of a



political subdivision of the state;
under any other law, and that would otherwise be available for distribution to the corporation, are automatically subject to a statutory lien for purposes of section 58 of this chapter.

(4) The corporation has no legal or equitable right to any of these revenues, other money, or property, which after the pledge may be held, possessed, maintained or controlled by, or otherwise in the custody of any other political subdivision of the state, or any department, agency, or instrumentality of a political subdivision of the state under any other law, and that would otherwise be available for distribution to the corporation, until:

(A) any reduction permitted under section 58 of this chapter has been applied; and

(B) the revenues, other money, or property have been or are required to be distributed to and received by the corporation.

(5) The corporation is prohibited from consenting to or permitting, and shall never be construed as consenting to or permitting, the use of any of the revenues, other money, or property that is reduced pursuant to section 58 of this chapter for any other purpose, other than the purposes described in section 58 of this chapter.

SECTION 138. IC 16-22-8-57 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 57. (a) This section applies notwithstanding any other law.

(b) The corporation is required to pay in full the principal of, and interest and premium, if any, on, or rental payments under, its bonds or leases entered into with the building authority, in accordance with the terms of these bonds or leases.

(c) With respect to these bonds or leases, the corporation is prohibited from consenting to or permitting, and shall never be construed as consenting to or permitting, without the consent of one hundred percent (100%) of the owners of all the bonds then outstanding and those bonds then outstanding that are secured by those leases, to any of the following:

(1) An extension of the stated maturity or a reduction in the principal amount of, or a reduction in the rate or an extension of the time of payment of interest on, the bonds.

(2) An extension of the due date or a reduction in the amount of a rental payment under the leases.



- (3) The creation of any lien on the revenues, other money, or property pledged to these bonds or leases, which is senior or prior to the lien upon the revenues, other money, or property pledged to these bonds or leases.**
- (4) A reduction in the aggregate principal amount of the bonds or aggregate amount of rental payments under the leases.**
- (5) The granting of a privilege, priority, or preference to any of the bonds or any bonds secured by the leases over any other of these bonds.**
- (6) Any amendment or modification of the powers, remedies, rights, duties, privileges, or immunities of the owners of the bonds.**

SECTION 139. IC 16-22-8-58 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 58. (a) Upon receiving notice from the bond bank that the corporation has failed to pay when due the principal of or interest on the obligations of the corporation then held, owned by, or arising from an agreement with the bond bank, the controller of the county in which the corporation is established shall do the following:**

- (1) Reduce the amount of any revenues, other money, or property that are pledged to pay the obligations, that:**
 - (A) are held, possessed, maintained, controlled, or otherwise in the custody of the county in which the corporation is established or a department, an agency, or an instrumentality of the county in which the corporation is established; and**
 - (B) would otherwise be available for distribution to the corporation under any other law;****by an amount equal to the amount of the unpaid obligations.**
- (2) Pay the amount by which the revenues, other money, or property that are pledged to pay the obligations is reduced under subdivision (1) to the bond bank to pay the principal of and interest on the bonds or other obligations of the bond bank directly related to the applicable defaulted obligations of the corporation.**
- (3) Notify the corporation that the revenues, other money, or property, which would otherwise be available for distribution to the corporation, has been reduced by an amount necessary to satisfy all or part of the unpaid obligations to the bond bank.**



(b) Any reductions under subsection (a) must be used only for the purpose of paying the principal of and interest on the bonds or other obligations of the bond bank that are directly related to the applicable defaulted obligations of the corporation and that the bond bank has failed to pay and for no other purpose.

(c) Notwithstanding any other law, the corporation has no legal or equitable right to any revenues, other money, or property that are pledged to pay the principal of and interest on the bonds or other obligations of the bond bank, which are held, possessed, maintained, controlled or otherwise in the custody of any other political subdivision of the state, or any department, agency, or instrumentality of a political subdivision of the state, that would otherwise be available for distribution to the political subdivision, until:

(1) any reduction permitted under this section has been applied; and

(2) the revenues, other money, or property have been or are required to be distributed to and received by the corporation.

(d) This section shall be interpreted liberally so that the county, in which the corporation is established, shall, to the extent permitted under Indiana law, ensure that the obligations of the corporation held or owned by or arising from an agreement with the bond bank, are paid when due. However, this section does not create a debt of the state or any other political subdivision.

(e) The withholding of a payment from or the reduction of a payment to the corporation and the payment to the bond bank under this section must not adversely affect the validity of the obligation of the corporation in default.

SECTION 140. IC 16-22-8-59 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 59. (a) If the corporation is designated as a "distressed political subdivision" by the distressed unit appeal board pursuant to IC 6-1.1-20.3-6.5, upon receipt of the notice of the designation from the distressed unit appeal board, the controller and the county treasurer of the county in which the corporation is established shall take any and all actions necessary to immediately and automatically distribute to the bond bank, after any reductions required by section 58 of this chapter, any revenues, other money, or property that are pledged to pay the principal of or interest on the obligations of the corporation held or owned by or arising from an agreement with the bond bank, which are held, possessed, maintained, controlled, or otherwise in



the custody of the county in which the corporation is established, or any department, agency, or instrumentality of the county, which would otherwise be available for distribution to the corporation under any other law.

(b) Upon receipt of the revenues or money, the bond bank shall retain the amount necessary to pay the debt service on all of its bonds for the one (1) year period following the date of the receipt of the revenues or money, for which bonds the corporation is directly or indirectly obligated to pay, pursuant to the corporation's bonds or leases entered into with the building authority. The bond bank shall deposit the amount retained with the trustee or trustees for the bonds and then distribute the remainder to the corporation. The amounts required to be deposited with the trustee or trustees shall be reduced by any other money held by the trustee or trustees and available for the debt service, except any reserves required to be held by the trustee or trustees, but shall be increased by any amount necessary to restore any reserves to their required levels. The revenues, other money, or property of the corporation that are required to be deposited with the trustee or trustees pursuant to this subsection shall continue in full force and effect until the time the distressed unit appeal board terminates the corporation's status as a distressed political subdivision pursuant to IC 6-1.1-20.3-13.

(c) Notwithstanding any other law, the corporation has no legal or equitable right to any revenues, other money, or property that are pledged to pay the principal of or interest on the obligations of the corporation held or owned by or arising from an agreement with the bond bank, which are held, possessed, maintained, controlled or otherwise in the custody of:

- (1) any other political subdivision of the state; or
- (2) any department, agency, or instrumentality of a political subdivision of the state;

that would otherwise be available for distribution to the corporation, unless and until the revenues, other money, or property have been or are required to be distributed to and received by the corporation."

Page 214, delete lines 23 through 42, begin a new paragraph and insert:

"SECTION 144. IC 34-30-2-2 IS REPEALED [EFFECTIVE JULY 1, 2018]. Sec. 2. IC 4-4-11-30 and IC 4-4-21-23 (Concerning members, officers, employees, and agents of the Indiana finance authority for acts authorized by law).



SECTION 145. IC 34-30-2-3 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 3: IC 4-13.5-4-4(g) (Concerning the state for monetary damages for obligations of or violation by the Indiana finance authority):~~

SECTION 146. IC 34-30-2-8 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 8: IC 5-1-16-28 (Concerning bonds issued by the Indiana finance authority under IC 5-1-16):~~

SECTION 147. IC 34-30-2-8.6 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2018]: **Sec. 8.6. IC 5-1.2-4-8 (Concerning the state for monetary damages for obligations of or violation by the Indiana finance authority).**

SECTION 148. IC 34-30-2-8.7 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2018]: **Sec. 8.7. IC 5-1.2-4-17 (Concerning the Indiana finance authority.)**

SECTION 149. IC 34-30-2-8.8 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2018]: **Sec. 8.8. IC 5-1.2-4-32 (Concerning loan or financial assistance under IC 5-1.2 governing the Indiana finance authority and the Indiana finance authority's addressing of brownfield contamination issues).**

SECTION 150. IC 34-30-2-87 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 87: IC 5-1-16.5-41 (Concerning members of, and persons executing bonds for, the Indiana finance authority under IC 5-1-16.5):~~

SECTION 151. IC 35-52-5-2.4 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2018]: **Sec. 2.4. IC 5-1.2-4-34 defines a crime concerning certain programs administered by the Indiana finance authority.**

SECTION 152. IC 35-52-13-2 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 2: IC 13-18-13-31 defines a crime concerning water pollution control:~~

SECTION 153. IC 35-52-13-3 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 3: IC 13-18-21-31 defines a crime concerning water pollution control:~~

SECTION 154. IC 35-52-13-4 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 4: IC 13-19-5-17 defines a crime concerning environmental remediation revolving loan program:".~~

Page 215, delete lines 1 through 18.

Page 222, line 36, after "are" insert "**valid pledges under IC 5-1-14-4 as of the date of those proceedings or actions and are**".



Page 224, line 7, after "are" insert **"valid pledges under IC 5-1-14-4 as of the date of those proceedings or actions and are"**.

Page 228, after line 42, begin a new paragraph and insert:

"SECTION 161. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign an appropriate interim study committee for study during the 2018 legislative interim the subject of requiring performance and payment bonds for future public-private projects.

(b) This SECTION expires January 1, 2019.

SECTION 162. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to an appropriate interim study committee the task of studying potential funding mechanisms to assist local units of government to address:

- (1) sewer and water projects, including storm water management projects;**
- (2) improving storm water drainage systems; and**
- (3) helping to upgrade deteriorating wastewater and storm water infrastructure.**

(b) This SECTION expires January 1, 2019."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1374 as reprinted February 1, 2018.)

HOLDMAN, Chairperson

Committee Vote: Yeas 11, Nays 0.

