



Reprinted
April 8, 2015

ENGROSSED HOUSE BILL No. 1398

DIGEST OF HB 1398 (Updated April 7, 2015 4:18 pm - DI 120)

Citations Affected: IC 4-33; IC 6-3.1; IC 6-3.5; IC 8-22; IC 36-7.5; noncode.

Synopsis: Northwest Indiana regional development authority. Provides for direct distributions of riverboat admissions taxes and supplemental distributions to the northwest Indiana regional development authority (RDA) to satisfy the obligations of Lake County, East Chicago, Gary, and Hammond to annually transfer money to the RDA. Eliminates the requirement (in current law) that the certified public accountant who conducts the annual audit of the Gary airport authority also: (1) perform a study and evaluation of the airport authority's internal accounting controls; and (2) express an opinion regarding the audit controls. Provides that the RDA may fund projects only to the extent that the project is consistent with certain duties imposed upon the RDA or the Marquette Plan. Provides that funding a project is subject to
(Continued next page)

Effective: July 1, 2015.

Soliday, Slager, Brown C

(SENATE SPONSORS — CHARBONNEAU, ROGERS, TALLIAN,
RANDOLPH)

January 22, 2015, read first time and referred to Committee on Ways and Means.
February 16, 2015, reported — Do Pass.
February 19, 2015, read second time, ordered engrossed. Engrossed.
February 23, 2015, read third time, passed. Yeas 92, nays 3.

SENATE ACTION

February 25, 2015, read first time and referred to Committee on Tax & Fiscal Policy.
March 26, 2015, amended, reported favorably — Do Pass.
April 7, 2015, read second time, amended, ordered engrossed.

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Digest Continued

review by the state budget committee. Establishes a goal for projects of the RDA to employ and retain a certain percentage of local residences from cities in the northwest Indiana region with a high unemployment rate. Requires the RDA to include in the RDA's annual report to the legislative council: (1) a report on the progress toward meeting the goal for the previous year; (2) obstacles to achieving the goal; and (3) the use of the northwest Indiana plan. Defines "northwest Indiana plan" as the activities of the Indiana plan for equal employment in its northwest Indiana region. Provides for the intercept of gaming tax revenue to recover unpaid transfers to the RDA occurring before July 1, 2015.

EH 1398—LS 7292/DI 92



Reprinted
April 8, 2015

First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1398

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

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

1 SECTION 1. IC 4-33-12-6, AS AMENDED BY P.L.2-2014,
2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2015]: Sec. 6. (a) The department shall place in the state
4 general fund the tax revenue collected under this chapter.
5 (b) Except as provided by subsections (c) and (d), ~~and~~
6 ~~IC 6-3-1-20-7~~, the treasurer of state shall quarterly pay the following
7 amounts:
8 (1) Except as provided in subsection (k), one dollar (\$1) of the
9 admissions tax collected by the licensed owner for each person
10 embarking on a gambling excursion during the quarter or
11 admitted to a riverboat that has implemented flexible scheduling
12 under IC 4-33-6-21 during the quarter shall be paid to:
13 (A) the city in which the riverboat is docked, if the city:
14 (i) is located in a county having a population of more than
15 one hundred eleven thousand (111,000) but less than one

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- 1 hundred fifteen thousand (115,000); or
 2 (ii) is contiguous to the Ohio River and is the largest city in
 3 the county; and
 4 (B) the county in which the riverboat is docked, if the
 5 riverboat is not docked in a city described in clause (A).
 6 (2) Except as provided in subsection (k), one dollar (\$1) of the
 7 admissions tax collected by the licensed owner for each person:
 8 (A) embarking on a gambling excursion during the quarter; or
 9 (B) admitted to a riverboat during the quarter that has
 10 implemented flexible scheduling under IC 4-33-6-21;
 11 shall be paid to the county in which the riverboat is docked. In the
 12 case of a county described in subdivision (1)(B), this one dollar
 13 (\$1) is in addition to the one dollar (\$1) received under
 14 subdivision (1)(B).
 15 (3) Except as provided in subsection (k), ten cents (\$0.10) of the
 16 admissions tax collected by the licensed owner for each person:
 17 (A) embarking on a gambling excursion during the quarter; or
 18 (B) admitted to a riverboat during the quarter that has
 19 implemented flexible scheduling under IC 4-33-6-21;
 20 shall be paid to the county convention and visitors bureau or
 21 promotion fund for the county in which the riverboat is docked.
 22 (4) Except as provided in subsection (k), fifteen cents (\$0.15) of
 23 the admissions tax collected by the licensed owner for each
 24 person:
 25 (A) embarking on a gambling excursion during the quarter; or
 26 (B) admitted to a riverboat during a quarter that has
 27 implemented flexible scheduling under IC 4-33-6-21;
 28 shall be paid to the state fair commission, for use in any activity
 29 that the commission is authorized to carry out under IC 15-13-3.
 30 (5) Except as provided in subsection (k), ten cents (\$0.10) of the
 31 admissions tax collected by the licensed owner for each person:
 32 (A) embarking on a gambling excursion during the quarter; or
 33 (B) admitted to a riverboat during the quarter that has
 34 implemented flexible scheduling under IC 4-33-6-21;
 35 shall be paid to the division of mental health and addiction. The
 36 division shall allocate at least twenty-five percent (25%) of the
 37 funds derived from the admissions tax to the prevention and
 38 treatment of compulsive gambling.
 39 (6) Except as provided in subsection (k), sixty-five cents (\$0.65)
 40 of the admissions tax collected by the licensed owner for each
 41 person embarking on a gambling excursion during the quarter or
 42 admitted to a riverboat during the quarter that has implemented



- 1 flexible scheduling under IC 4-33-6-21 shall be paid to the state
2 general fund.
- 3 (c) With respect to tax revenue collected from a riverboat located in
4 a historic hotel district, the treasurer of state shall quarterly pay the
5 following:
- 6 (1) With respect to admissions taxes collected for a person
7 admitted to the riverboat before July 1, 2010, the following
8 amounts:
- 9 (A) Twenty-two percent (22%) of the admissions tax collected
10 during the quarter shall be paid to the county treasurer of the
11 county in which the riverboat is located. The county treasurer
12 shall distribute the money received under this clause as
13 follows:
- 14 (i) Twenty-two and seventy-five hundredths percent
15 (22.75%) shall be quarterly distributed to the county
16 treasurer of a county having a population of more than forty
17 thousand (40,000) but less than forty-two thousand (42,000)
18 for appropriation by the county fiscal body after receiving a
19 recommendation from the county executive. The county
20 fiscal body for the receiving county shall provide for the
21 distribution of the money received under this item to one (1)
22 or more taxing units (as defined in IC 6-1.1-1-21) in the
23 county under a formula established by the county fiscal body
24 after receiving a recommendation from the county executive.
- 25 (ii) Twenty-two and seventy-five hundredths percent
26 (22.75%) shall be quarterly distributed to the county
27 treasurer of a county having a population of more than ten
28 thousand seven hundred (10,700) but less than twelve
29 thousand (12,000) for appropriation by the county fiscal
30 body. The county fiscal body for the receiving county shall
31 provide for the distribution of the money received under this
32 item to one (1) or more taxing units (as defined in
33 IC 6-1.1-1-21) in the county under a formula established by
34 the county fiscal body after receiving a recommendation
35 from the county executive.
- 36 (iii) Fifty-four and five-tenths percent (54.5%) shall be
37 retained by the county where the riverboat is located for
38 appropriation by the county fiscal body after receiving a
39 recommendation from the county executive.
- 40 (B) Five percent (5%) of the admissions tax collected during
41 the quarter shall be paid to a town having a population of more
42 than two thousand (2,000) but less than three thousand five



1 hundred (3,500) located in a county having a population of
2 more than nineteen thousand five hundred (19,500) but less
3 than twenty thousand (20,000). At least twenty percent (20%)
4 of the taxes received by a town under this clause must be
5 transferred to the school corporation in which the town is
6 located.

7 (C) Five percent (5%) of the admissions tax collected during
8 the quarter shall be paid to a town having a population of more
9 than three thousand five hundred (3,500) located in a county
10 having a population of more than nineteen thousand five
11 hundred (19,500) but less than twenty thousand (20,000). At
12 least twenty percent (20%) of the taxes received by a town
13 under this clause must be transferred to the school corporation
14 in which the town is located.

15 (D) Twenty percent (20%) of the admissions tax collected
16 during the quarter shall be paid in equal amounts to each town
17 that:

18 (i) is located in the county in which the riverboat is located;
19 and
20 (ii) contains a historic hotel.

21 At least twenty percent (20%) of the taxes received by a town
22 under this clause must be transferred to the school corporation
23 in which the town is located.

24 (E) Ten percent (10%) of the admissions tax collected during
25 the quarter shall be paid to the Orange County development
26 commission established under IC 36-7-11.5. At least one-third
27 (1/3) of the taxes paid to the Orange County development
28 commission under this clause must be transferred to the
29 Orange County convention and visitors bureau.

30 (F) Thirteen percent (13%) of the admissions tax collected
31 during the quarter shall be paid to the West Baden Springs
32 historic hotel preservation and maintenance fund established
33 by IC 36-7-11.5-11(b).

34 (G) Twenty-five percent (25%) of the admissions tax collected
35 during the quarter shall be paid to the Indiana economic
36 development corporation to be used by the corporation for the
37 development and implementation of a regional economic
38 development strategy to assist the residents of the county in
39 which the riverboat is located and residents of contiguous
40 counties in improving their quality of life and to help promote
41 successful and sustainable communities. The regional
42 economic development strategy must include goals concerning



- 1 the following issues:
- 2 (i) Job creation and retention.
- 3 (ii) Infrastructure, including water, wastewater, and storm
- 4 water infrastructure needs.
- 5 (iii) Housing.
- 6 (iv) Workforce training.
- 7 (v) Health care.
- 8 (vi) Local planning.
- 9 (vii) Land use.
- 10 (viii) Assistance to regional economic development groups.
- 11 (ix) Other regional development issues as determined by the
- 12 Indiana economic development corporation.
- 13 (2) With respect to admissions taxes collected for a person
- 14 admitted to the riverboat after June 30, 2010, the following
- 15 amounts:
- 16 (A) Twenty-nine and thirty-three hundredths percent (29.33%)
- 17 to the county treasurer of Orange County. The county treasurer
- 18 shall distribute the money received under this clause as
- 19 follows:
- 20 (i) Twenty-two and seventy-five hundredths percent
- 21 (22.75%) to the county treasurer of Dubois County for
- 22 distribution in the manner described in subdivision
- 23 (1)(A)(i).
- 24 (ii) Twenty-two and seventy-five hundredths percent
- 25 (22.75%) to the county treasurer of Crawford County for
- 26 distribution in the manner described in subdivision
- 27 (1)(A)(ii).
- 28 (iii) Fifty-four and five-tenths percent (54.5%) to be retained
- 29 by the county treasurer of Orange County for appropriation
- 30 by the county fiscal body after receiving a recommendation
- 31 from the county executive.
- 32 (B) Six and sixty-seven hundredths percent (6.67%) to the
- 33 fiscal officer of the town of Orleans. At least twenty percent
- 34 (20%) of the taxes received by the town under this clause must
- 35 be transferred to Orleans Community Schools.
- 36 (C) Six and sixty-seven hundredths percent (6.67%) to the
- 37 fiscal officer of the town of Paoli. At least twenty percent
- 38 (20%) of the taxes received by the town under this clause must
- 39 be transferred to the Paoli Community School Corporation.
- 40 (D) Twenty-six and sixty-seven hundredths percent (26.67%)
- 41 to be paid in equal amounts to the fiscal officers of the towns
- 42 of French Lick and West Baden Springs. At least twenty



1 percent (20%) of the taxes received by a town under this
 2 clause must be transferred to the Springs Valley Community
 3 School Corporation.

4 (E) Thirty and sixty-six hundredths percent (30.66%) to the
 5 Indiana economic development corporation to be used in the
 6 manner described in subdivision (1)(G).

7 (d) ~~With respect~~ **This subsection applies** to tax revenue collected
 8 from a riverboat that operates from a county having a population of
 9 more than four hundred thousand (~~400,000~~) but less than seven
 10 hundred thousand (~~700,000~~); **Lake County. Except as provided by**
 11 **IC 6-3.1-20-7**, the treasurer of state shall quarterly pay the following
 12 amounts:

13 **(1) The lesser of:**

14 **(A) eight hundred seventy-five thousand dollars**
 15 **(\$875,000); or**

16 **(B) one dollar (\$1) of the admissions tax collected by the**
 17 **licensed owner for each person admitted to a riverboat**
 18 **operating from East Chicago during the preceding**
 19 **calendar quarter;**

20 **to the fiscal officer of the northwest Indiana regional**
 21 **development authority to satisfy, in whole or in part, East**
 22 **Chicago's funding obligation to the authority under**
 23 **IC 36-7.5-4-2.**

24 **(2) The lesser of:**

25 **(A) eight hundred seventy-five thousand dollars**
 26 **(\$875,000); or**

27 **(B) one dollar (\$1) of the admissions tax collected by the**
 28 **licensed owner for each person admitted to a riverboat**
 29 **operating from Gary during the preceding calendar**
 30 **quarter;**

31 **to the fiscal officer of the northwest Indiana regional**
 32 **development authority to satisfy, in whole or in part, Gary's**
 33 **funding obligation to the authority under IC 36-7.5-4-2.**

34 **(3) The lesser of:**

35 **(A) eight hundred seventy-five thousand dollars**
 36 **(\$875,000); or**

37 **(B) one dollar (\$1) of the admissions tax collected by the**
 38 **licensed owner for each person admitted to a riverboat**
 39 **operating from Hammond during the preceding calendar**
 40 **quarter;**

41 **to the fiscal officer of the northwest Indiana regional**
 42 **development authority to satisfy, in whole or in part,**



1 **Hammond's funding obligation to the authority under**
 2 **IC 36-7.5-4-2.**

3 **(4) The lesser of:**

4 **(A) eight hundred seventy-five thousand dollars**
 5 **(\$875,000); or**

6 **(B) one dollar (\$1) of the admissions tax collected by the**
 7 **licensed owner for each person admitted to a riverboat**
 8 **operating from Lake County during the preceding**
 9 **calendar quarter;**

10 **to the fiscal officer of the northwest Indiana regional**
 11 **development authority to satisfy, in whole or in part, Lake**
 12 **County's funding obligation to the authority under**
 13 **IC 36-7.5-4-2.**

14 **(+) (5) Except as provided in subsection (k), the remainder, if**
 15 **any, of:**

16 **(A) one dollar (\$1) of the admissions tax collected by the**
 17 **licensed owner for each person**

18 **(A) embarking on a gambling excursion during the quarter; or**
 19 **(B) admitted to a riverboat during the preceding calendar**
 20 **quarter; that has implemented flexible scheduling under**
 21 **IC 4-33-6-21; minus**

22 **(B) the amount distributed to the northwest Indiana**
 23 **regional development authority under subdivision (1), (2),**
 24 **or (3), whichever is applicable, for that calendar quarter;**

25 shall be paid to the city in which the riverboat is docked.

26 **(-) (6) Except as provided in subsection (k), the remainder, if**
 27 **any, of:**

28 **(A) one dollar (\$1) of the admissions tax collected by the**
 29 **licensed owner for each person**

30 **(A) embarking on a gambling excursion during the quarter; or**
 31 **(B) admitted to a riverboat during the preceding calendar**
 32 **quarter; that has implemented flexible scheduling under**
 33 **IC 4-33-6-21; minus**

34 **(B) the amount distributed to the northwest Indiana**
 35 **regional development authority under subdivision (4) for**
 36 **that calendar quarter;**

37 shall be paid to the county in which the riverboat is docked.

38 **(+) (7) Except as provided in subsection (k), nine cents (\$0.09) of**
 39 **the admissions tax collected by the licensed owner for each**
 40 **person**

41 **(A) embarking on a gambling excursion during the quarter; or**

42 **(B) admitted to a riverboat during the preceding calendar**



- 1 quarter that has implemented flexible scheduling under
 2 ~~IC 4-33-6-21~~;
- 3 shall be paid to the county convention and visitors bureau or
 4 promotion fund for the county in which the riverboat is docked.
- 5 ~~(4)~~ **(8)** Except as provided in subsection (k), one cent (\$0.01) of
 6 the admissions tax collected by the licensed owner for each
 7 person
- 8 ~~(A) embarking on a gambling excursion during the quarter; or~~
 9 ~~(B) admitted to a riverboat during the preceding calendar~~
 10 ~~quarter that has implemented flexible scheduling under~~
 11 ~~IC 4-33-6-21;~~
- 12 shall be paid to the northwest Indiana law enforcement training
 13 center.
- 14 ~~(5)~~ **(9)** Except as provided in subsection (k), fifteen cents (\$0.15)
 15 of the admissions tax collected by the licensed owner for each
 16 person
- 17 ~~(A) embarking on a gambling excursion during the quarter; or~~
 18 ~~(B) admitted to a riverboat during a the preceding calendar~~
 19 ~~quarter that has implemented flexible scheduling under~~
 20 ~~IC 4-33-6-21;~~
- 21 shall be paid to the state fair commission for use in any activity
 22 that the commission is authorized to carry out under IC 15-13-3.
- 23 ~~(6)~~ **(10)** Except as provided in subsection (k), ten cents (\$0.10) of
 24 the admissions tax collected by the licensed owner for each
 25 person
- 26 ~~(A) embarking on a gambling excursion during the quarter; or~~
 27 ~~(B) admitted to a riverboat during the preceding calendar~~
 28 ~~quarter that has implemented flexible scheduling under~~
 29 ~~IC 4-33-6-21;~~
- 30 shall be paid to the division of mental health and addiction. The
 31 division shall allocate at least twenty-five percent (25%) of the
 32 funds derived from the admissions tax to the prevention and
 33 treatment of compulsive gambling.
- 34 ~~(7)~~ **(11)** Except as provided in subsection (k), Sixty-five cents
 35 (\$0.65) of the admissions tax collected by the licensed owner for
 36 each person ~~embarking on a gambling excursion during the~~
 37 ~~quarter or~~ admitted to a riverboat during the **preceding calendar**
 38 ~~quarter that has implemented flexible scheduling under~~
 39 ~~IC 4-33-6-21~~ shall be paid to the state general fund.
- 40 (e) Money paid to a unit of local government under subsection (b),
 41 (c), or (d):
 42 (1) must be paid to the fiscal officer of the unit and may be



- 1 deposited in the unit's general fund or riverboat fund established
 2 under IC 36-1-8-9, or both;
- 3 (2) may not be used to reduce the unit's maximum levy under
 4 IC 6-1.1-18.5 but may be used at the discretion of the unit to
 5 reduce the property tax levy of the unit for a particular year;
- 6 (3) may be used for any legal or corporate purpose of the unit,
 7 including the pledge of money to bonds, leases, or other
 8 obligations under IC 5-1-14-4; and
- 9 (4) is considered miscellaneous revenue.
- 10 (f) Money paid by the treasurer of state under subsection (b)(3) or
 11 ~~(d)(3)~~ **(d)(7)** shall be:
- 12 (1) deposited in:
- 13 (A) the county convention and visitor promotion fund; or
 14 (B) the county's general fund if the county does not have a
 15 convention and visitor promotion fund; and
- 16 (2) used only for the tourism promotion, advertising, and
 17 economic development activities of the county and community.
- 18 (g) Money received by the division of mental health and addiction
 19 under subsections (b)(5) and ~~(d)(6)~~: **(d)(10)**:
- 20 (1) is annually appropriated to the division of mental health and
 21 addiction;
- 22 (2) shall be distributed to the division of mental health and
 23 addiction at times during each state fiscal year determined by the
 24 budget agency; and
- 25 (3) shall be used by the division of mental health and addiction
 26 for programs and facilities for the prevention and treatment of
 27 addictions to drugs, alcohol, and compulsive gambling, including
 28 the creation and maintenance of a toll free telephone line to
 29 provide the public with information about these addictions. The
 30 division shall allocate at least twenty-five percent (25%) of the
 31 money received to the prevention and treatment of compulsive
 32 gambling.
- 33 (h) This subsection applies to the following:
- 34 (1) Each entity receiving money under subsection (b)(1) through
 35 (b)(5).
- 36 (2) Each entity receiving money under subsection ~~(d)(1)~~ **(d)(5)**
 37 through ~~(d)(2)~~: **(d)(6)**.
- 38 (3) Each entity receiving money under subsection ~~(d)(5)~~ **(d)(9)**
 39 through ~~(d)(6)~~: **(d)(10)**.
- 40 The treasurer of state shall determine the total amount of money paid
 41 by the treasurer of state to an entity subject to this subsection during
 42 the state fiscal year 2002. The amount determined under this subsection



1 is the base year revenue for each entity subject to this subsection. The
 2 treasurer of state shall certify the base year revenue determined under
 3 this subsection to each entity subject to this subsection.

4 (i) This subsection applies to an entity receiving money under
 5 subsection ~~(d)(3)~~ **(d)(7)** or ~~(d)(4)~~ **(d)(8)**. The treasurer of state shall
 6 determine the total amount of money paid by the treasurer of state to
 7 the entity described in subsection ~~(d)(3)~~ **(d)(7)** during state fiscal year
 8 2002. The amount determined under this subsection multiplied by
 9 nine-tenths (0.9) is the base year revenue for the entity described in
 10 subsection ~~(d)(3)~~ **(d)(7)**. The amount determined under this subsection
 11 multiplied by one-tenth (0.1) is the base year revenue for the entity
 12 described in subsection ~~(d)(4)~~ **(d)(8)**. The treasurer of state shall
 13 certify the base year revenue determined under this subsection to each
 14 entity subject to this subsection.

15 (j) This subsection does not apply to an entity receiving money
 16 under subsection (c). The total amount of money distributed to an entity
 17 under this section during a state fiscal year may not exceed the entity's
 18 base year revenue as determined under subsection (h) or (i). **For**
 19 **purposes of this section, the treasurer of state shall treat any**
 20 **amounts distributed under subsection (d) to the northwest Indiana**
 21 **regional development authority as amounts constructively received**
 22 **by East Chicago, Gary, Hammond, and Lake County, as**
 23 **appropriate.** If the treasurer of state determines that the total amount
 24 of money:

25 (1) distributed to an entity; and

26 (2) **constructively received by an entity;**

27 under this section during a state fiscal year is less than the entity's base
 28 year revenue, the treasurer of state shall make a supplemental
 29 distribution to the entity under IC 4-33-13-5.

30 (k) This subsection does not apply to an entity receiving money
 31 under subsection (c). The treasurer of state shall pay that part of the
 32 riverboat admissions taxes that:

33 (1) exceeds a particular entity's base year revenue; and

34 (2) would otherwise be due to the entity under this section;

35 to the state general fund instead of to the entity.

36 SECTION 2. IC 4-33-12.5-6, AS AMENDED BY P.L.205-2013,
 37 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2015]: Sec. 6. (a) The county described in IC 4-33-12-6(d)
 39 shall distribute twenty-five percent (25%) of the:

40 (1) admissions tax revenue received by the county under
 41 ~~IC 4-33-12-6(d)(2)~~; **IC 4-33-12-6(d)(6)**; and

42 (2) supplemental distributions received under IC 4-33-13-5;



- 1 to the eligible municipalities.
- 2 (b) The amount that shall be distributed by the county to each
3 eligible municipality under subsection (a) is based on the eligible
4 municipality's proportionate share of the total population of all eligible
5 municipalities. The most current certified census information available
6 shall be used to determine an eligible municipality's proportionate
7 share under this subsection. The determination of proportionate shares
8 under this subsection shall be modified under the following conditions:
9 (1) The certification from any decennial census completed by the
10 United States Bureau of the Census.
11 (2) Submission by one (1) or more eligible municipalities of a
12 certified special census commissioned by an eligible municipality
13 and performed by the United States Bureau of the Census.
- 14 (c) If proportionate shares are modified under subsection (b),
15 distribution to eligible municipalities shall change with the:
16 (1) payments beginning April 1 of the year following the
17 certification of a special census under subsection (b)(2); and
18 (2) the next quarterly payment following the certification of a
19 decennial census under subsection (b)(1).
- 20 SECTION 3. IC 4-33-13-5, AS AMENDED BY P.L.2-2014,
21 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2015]: Sec. 5. (a) This subsection does not apply to tax
23 revenue remitted by an operating agent operating a riverboat in a
24 historic hotel district. After funds are appropriated under section 4 of
25 this chapter, each month the treasurer of state shall distribute the tax
26 revenue deposited in the state gaming fund under this chapter to the
27 following:
28 (1) The first thirty-three million dollars (\$33,000,000) of tax
29 revenues collected under this chapter shall be set aside for
30 revenue sharing under subsection (e).
31 (2) Subject to subsection (c), twenty-five percent (25%) of the
32 remaining tax revenue remitted by each licensed owner shall be
33 paid:
34 (A) to the city that is designated as the home dock of the
35 riverboat from which the tax revenue was collected, in the case
36 of:
37 (i) a city described in IC 4-33-12-6(b)(1)(A); or
38 (ii) a city located in a county having a population of more
39 than four hundred thousand (400,000) but less than seven
40 hundred thousand (700,000); or
41 (B) to the county that is designated as the home dock of the
42 riverboat from which the tax revenue was collected, in the case



- 1 of a riverboat whose home dock is not in a city described in
 2 clause (A).
- 3 (3) Subject to subsection (d), the remainder of the tax revenue
 4 remitted by each licensed owner shall be paid to the state general
 5 fund. In each state fiscal year, the treasurer of state shall make the
 6 transfer required by this subdivision not later than the last
 7 business day of the month in which the tax revenue is remitted to
 8 the state for deposit in the state gaming fund. However, if tax
 9 revenue is received by the state on the last business day in a
 10 month, the treasurer of state may transfer the tax revenue to the
 11 state general fund in the immediately following month.
- 12 (b) This subsection applies only to tax revenue remitted by an
 13 operating agent operating a riverboat in a historic hotel district. After
 14 funds are appropriated under section 4 of this chapter, each month the
 15 treasurer of state shall distribute the tax revenue remitted by the
 16 operating agent under this chapter as follows:
- 17 (1) Thirty-seven and one-half percent (37.5%) shall be paid to the
 18 state general fund.
- 19 (2) Nineteen percent (19%) shall be paid to the West Baden
 20 Springs historic hotel preservation and maintenance fund
 21 established by IC 36-7-11.5-11(b). However, at any time the
 22 balance in that fund exceeds twenty million dollars
 23 (\$20,000,000), the amount described in this subdivision shall be
 24 paid to the state general fund.
- 25 (3) Eight percent (8%) shall be paid to the Orange County
 26 development commission established under IC 36-7-11.5.
- 27 (4) Sixteen percent (16%) shall be paid in equal amounts to each
 28 town that is located in the county in which the riverboat is located
 29 and contains a historic hotel. The following apply to taxes
 30 received by a town under this subdivision:
- 31 (A) At least twenty-five percent (25%) of the taxes must be
 32 transferred to the school corporation in which the town is
 33 located.
- 34 (B) At least twelve and five-tenths percent (12.5%) of the
 35 taxes imposed on adjusted gross receipts received after June
 36 30, 2010, must be transferred to the Orange County
 37 development commission established by IC 36-7-11.5-3.5.
- 38 (5) Nine percent (9%) shall be paid to the county treasurer of the
 39 county in which the riverboat is located. The county treasurer
 40 shall distribute the money received under this subdivision as
 41 follows:
- 42 (A) Twenty-two and twenty-five hundredths percent (22.25%)



- 1 shall be quarterly distributed to the county treasurer of a
 2 county having a population of more than forty thousand
 3 (40,000) but less than forty-two thousand (42,000) for
 4 appropriation by the county fiscal body after receiving a
 5 recommendation from the county executive. The county fiscal
 6 body for the receiving county shall provide for the distribution
 7 of the money received under this clause to one (1) or more
 8 taxing units (as defined in IC 6-1.1-1-21) in the county under
 9 a formula established by the county fiscal body after receiving
 10 a recommendation from the county executive.
- 11 (B) Twenty-two and twenty-five hundredths percent (22.25%)
 12 shall be quarterly distributed to the county treasurer of a
 13 county having a population of more than ten thousand seven
 14 hundred (10,700) but less than twelve thousand (12,000) for
 15 appropriation by the county fiscal body after receiving a
 16 recommendation from the county executive. The county fiscal
 17 body for the receiving county shall provide for the distribution
 18 of the money received under this clause to one (1) or more
 19 taxing units (as defined in IC 6-1.1-1-21) in the county under
 20 a formula established by the county fiscal body after receiving
 21 a recommendation from the county executive.
- 22 (C) Fifty-five and five-tenths percent (55.5%) shall be retained
 23 by the county in which the riverboat is located for
 24 appropriation by the county fiscal body after receiving a
 25 recommendation from the county executive.
- 26 (6) Five percent (5%) shall be paid to a town having a population
 27 of more than two thousand (2,000) but less than three thousand
 28 five hundred (3,500) located in a county having a population of
 29 more than nineteen thousand five hundred (19,500) but less than
 30 twenty thousand (20,000). At least forty percent (40%) of the
 31 taxes received by a town under this subdivision must be
 32 transferred to the school corporation in which the town is located.
- 33 (7) Five percent (5%) shall be paid to a town having a population
 34 of more than three thousand five hundred (3,500) located in a
 35 county having a population of more than nineteen thousand five
 36 hundred (19,500) but less than twenty thousand (20,000). At least
 37 forty percent (40%) of the taxes received by a town under this
 38 subdivision must be transferred to the school corporation in which
 39 the town is located.
- 40 (8) Five-tenths percent (0.5%) of the taxes imposed on adjusted
 41 gross receipts received after June 30, 2010, shall be paid to the
 42 Indiana economic development corporation established by



1 IC 5-28-3-1.

2 (c) For each city and county receiving money under subsection
3 (a)(2), the treasurer of state shall determine the total amount of money
4 paid by the treasurer of state to the city or county during the state fiscal
5 year 2002. The amount determined is the base year revenue for the city
6 or county. The treasurer of state shall certify the base year revenue
7 determined under this subsection to the city or county. The total
8 amount of money distributed to a city or county under this section
9 during a state fiscal year may not exceed the entity's base year revenue.
10 For each state fiscal year, the treasurer of state shall pay that part of the
11 riverboat wagering taxes that:

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

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

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

- 20 (1) Surplus lottery revenues under IC 4-30-17-3.
- 21 (2) Surplus revenue from the charity gaming enforcement fund
22 under IC 4-32.2-7-7.
- 23 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

24 The treasurer of state shall make transfers on a monthly basis as needed
25 to meet the obligations of the build Indiana fund. If in any state fiscal
26 year insufficient money is transferred to the state general fund under
27 subsection (a)(3) to comply with this subsection, the treasurer of state
28 shall reduce the amount transferred to the build Indiana fund to the
29 amount available in the state general fund from the transfers under
30 subsection (a)(3) for the state fiscal year.

31 (e) Before August 15 of each year, the treasurer of state shall
32 distribute the wagering taxes set aside for revenue sharing under
33 subsection (a)(1) to the county treasurer of each county that does not
34 have a riverboat according to the ratio that the county's population
35 bears to the total population of the counties that do not have a
36 riverboat. Except as provided in subsection (h), the county auditor shall
37 distribute the money received by the county under this subsection as
38 follows:

- 39 (1) To each city located in the county according to the ratio the
40 city's population bears to the total population of the county.
- 41 (2) To each town located in the county according to the ratio the
42 town's population bears to the total population of the county.



- 1 (3) After the distributions required in subdivisions (1) and (2) are
 2 made, the remainder shall be retained by the county.
- 3 (f) Money received by a city, town, or county under subsection (e)
 4 or (h) may be used for any of the following purposes:
- 5 (1) To reduce the property tax levy of the city, town, or county for
 6 a particular year (a property tax reduction under this subdivision
 7 does not reduce the maximum levy of the city, town, or county
 8 under IC 6-1.1-18.5).
- 9 (2) For deposit in a special fund or allocation fund created under
 10 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
 11 IC 36-7-30 to provide funding for debt repayment.
- 12 (3) To fund sewer and water projects, including storm water
 13 management projects.
- 14 (4) For police and fire pensions.
- 15 (5) To carry out any governmental purpose for which the money
 16 is appropriated by the fiscal body of the city, town, or county.
 17 Money used under this subdivision does not reduce the property
 18 tax levy of the city, town, or county for a particular year or reduce
 19 the maximum levy of the city, town, or county under
 20 IC 6-1.1-18.5.
- 21 (g) This subsection does not apply to an entity receiving money
 22 under IC 4-33-12-6(c). Before September 15 of each year, the treasurer
 23 of state shall determine the total amount of money distributed to an
 24 entity under IC 4-33-12-6 during the preceding state fiscal year. If the
 25 treasurer of state determines that the total amount of money distributed
 26 to an entity under IC 4-33-12-6 during the preceding state fiscal year
 27 was less than the entity's base year revenue (as determined under
 28 IC 4-33-12-6), the treasurer of state shall make a supplemental
 29 distribution to the entity from taxes collected under this chapter and
 30 deposited into the state general fund. Except as provided in subsection
 31 (i), the amount of an entity's supplemental distribution is equal to:
- 32 (1) the entity's base year revenue (as determined under
 33 IC 4-33-12-6); minus
- 34 (2) the sum of:
- 35 (A) the total amount of money distributed to the entity **and**
 36 **constructively received by the entity** during the preceding
 37 state fiscal year under IC 4-33-12-6; plus
- 38 (B) **any amounts the amount of any admissions taxes**
 39 **deducted under IC 6-3.1-20-7.**
- 40 (h) This subsection applies only to a county containing a
 41 consolidated city. The county auditor shall distribute the money
 42 received by the county under subsection (e) as follows:



1 (1) To each city, other than a consolidated city, located in the
 2 county according to the ratio that the city's population bears to the
 3 total population of the county.

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

6 (3) After the distributions required in subdivisions (1) and (2) are
 7 made, the remainder shall be paid in equal amounts to the
 8 consolidated city and the county.

9 (i) This subsection applies to a supplemental distribution made after
 10 June 30, 2013. The maximum amount of money that may be distributed
 11 under subsection (g) in a state fiscal year is forty-eight million dollars
 12 (\$48,000,000). If the total amount determined under subsection (g)
 13 exceeds forty-eight million dollars (\$48,000,000), the amount
 14 distributed to an entity under subsection (g) must be reduced according
 15 to the ratio that the amount distributed to the entity under IC 4-33-12-6
 16 bears to the total amount distributed under IC 4-33-12-6 to all entities
 17 receiving a supplemental distribution.

18 **(j) This subsection applies to a supplemental distribution, if any,**
 19 **payable to Lake County, Hammond, Gary, or East Chicago under**
 20 **subsections (g) and (i). Beginning in September 2016, the treasurer**
 21 **of state shall, after making any deductions from the supplemental**
 22 **distribution required by IC 6-3.1-20-7, deduct from the remainder**
 23 **of the supplemental distribution otherwise payable to the unit**
 24 **under this section the lesser of:**

25 **(1) the remaining amount of the supplemental distribution; or**

26 **(2) the difference, if any, between:**

27 **(A) three million five hundred thousand dollars**
 28 **(\$3,500,000); minus**

29 **(B) the amount of admissions taxes constructively received**
 30 **by the unit in the previous state fiscal year.**

31 **The treasurer of state shall distribute the amounts deducted under**
 32 **this subsection to the northwest Indiana redevelopment authority**
 33 **established under IC 36-7.5-2-1 for deposit in the development**
 34 **authority fund established under IC 36-7.5-4-1.**

35 SECTION 4. IC 6-3.1-20-7, AS AMENDED BY P.L.166-2014,
 36 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2015]: Sec. 7. (a) The department shall before July 1 of each
 38 year determine the greater of:

39 (1) eight million five hundred thousand dollars (\$8,500,000); or

40 (2) the amount of credits allowed under this chapter for taxable
 41 years ending before January 1 of the year.

42 (b) Except as provided in subsection (d), one-half (1/2) of the



- 1 amount determined by the department under subsection (a) shall be:
- 2 (1) deducted during the year from the riverboat admissions tax
- 3 revenue otherwise payable to the county under
- 4 ~~IC 4-33-12-6(d)(2)~~; **IC 4-33-12-6(d)(6) and the supplemental**
- 5 **distribution otherwise payable to the county under**
- 6 **IC 4-33-13-5(g)**; and
- 7 (2) paid instead to the state general fund.
- 8 (c) Except as provided in subsection (d), one-sixth (1/6) of the
- 9 amount determined by the department under subsection (a) shall be:
- 10 (1) deducted during the year from the riverboat admissions tax
- 11 revenue otherwise payable under ~~IC 4-33-12-6(d)(1)~~
- 12 **IC 4-33-12-6(d)(5) and the supplemental distribution**
- 13 **otherwise payable under IC 4-33-13-5(g)** to each of the
- 14 following:
- 15 (A) The largest city by population located in the county.
- 16 (B) The second largest city by population located in the
- 17 county.
- 18 (C) The third largest city by population located in the county;
- 19 and
- 20 (2) paid instead to the state general fund.
- 21 (d) If the amount determined by the department under subsection
- 22 (a)(2) is less than eight million five hundred thousand dollars
- 23 (\$8,500,000), the difference of:
- 24 (1) eight million five hundred thousand dollars (\$8,500,000);
- 25 minus
- 26 (2) the amount determined by the department under subsection
- 27 (a)(2);
- 28 shall be paid to the northwest Indiana regional development authority
- 29 established by IC 36-7.5-2-1 instead of the state general fund. Any
- 30 amounts paid under this subsection shall be used by the northwest
- 31 Indiana regional development authority only to establish or improve
- 32 public mass rail transportation systems in Lake County.
- 33 SECTION 5. IC 6-3.5-7-13.1, AS AMENDED BY P.L.137-2012,
- 34 SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 35 JULY 1, 2015]: Sec. 13.1. (a) The fiscal officer of each county, city, or
- 36 town for a county in which the county economic development tax is
- 37 imposed shall establish an economic development income tax fund.
- 38 Except as provided in sections 23, 26, 27, 27.5, and 27.6 of this
- 39 chapter, the revenue received by a county, city, or town under this
- 40 chapter shall be deposited in the unit's economic development income
- 41 tax fund.
- 42 (b) As used in this subsection, "homestead" means a homestead that



1 is eligible for a standard deduction under IC 6-1.1-12-37. Except as
 2 provided in sections 15, 23, 26, 27, 27.5, and 27.6 of this chapter,
 3 revenues from the county economic development income tax may be
 4 used as follows:

5 (1) By a county, city, or town for economic development projects,
 6 for paying, notwithstanding any other law, under a written
 7 agreement all or a part of the interest owed by a private developer
 8 or user on a loan extended by a financial institution or other
 9 lender to the developer or user if the proceeds of the loan are or
 10 are to be used to finance an economic development project, for
 11 the retirement of bonds under section 14 of this chapter for
 12 economic development projects, for leases under section 21 of
 13 this chapter, or for leases or bonds entered into or issued prior to
 14 the date the economic development income tax was imposed if
 15 the purpose of the lease or bonds would have qualified as a
 16 purpose under this chapter at the time the lease was entered into
 17 or the bonds were issued.

18 (2) By a county, city, or town for:

19 (A) the construction or acquisition of, or remedial action with
 20 respect to, a capital project for which the unit is empowered to
 21 issue general obligation bonds or establish a fund under any
 22 statute listed in IC 6-1.1-18.5-9.8;

23 (B) the retirement of bonds issued under any provision of
 24 Indiana law for a capital project;

25 (C) the payment of lease rentals under any statute for a capital
 26 project;

27 (D) contract payments to a nonprofit corporation whose
 28 primary corporate purpose is to assist government in planning
 29 and implementing economic development projects;

30 (E) operating expenses of a governmental entity that plans or
 31 implements economic development projects;

32 (F) to the extent not otherwise allowed under this chapter,
 33 funding substance removal or remedial action in a designated
 34 unit; or

35 (G) funding of a revolving fund established under
 36 IC 5-1-14-14.

37 (3) By a county, city, or town for any lawful purpose for which
 38 money in any of its other funds may be used.

39 (4) By a city or county described in IC 36-7.5-2-3(b) (**other than**
 40 **Hammond, Gary, East Chicago, and Lake County**) for making
 41 transfers required by IC 36-7.5-4-2. If the county economic
 42 development income tax rate is increased after April 30, 2005, in



1 Porter County, the first three million five hundred thousand
 2 dollars (\$3,500,000) of the tax revenue that results each year from
 3 the tax rate increase shall be used by the county or by eligible
 4 municipalities (as defined in IC 36-7.5-1-11.3) in the county only
 5 to make the county's transfer required by IC 36-7.5-4-2. The first
 6 three million five hundred thousand dollars (\$3,500,000) of the
 7 tax revenue that results each year from the tax rate increase shall
 8 be paid by the county treasurer to the treasurer of the northwest
 9 Indiana regional development authority under IC 36-7.5-4-2
 10 before certified distributions are made to the county or any cities
 11 or towns in the county under this chapter from the tax revenue
 12 that results each year from the tax rate increase. If Porter County
 13 ceases to be a member of the northwest Indiana regional
 14 development authority under IC 36-7.5 but two (2) or more
 15 municipalities in the county have become members of the
 16 northwest Indiana regional development authority as authorized
 17 by IC 36-7.5-2-3(i), the county treasurer shall continue to transfer
 18 the three million five hundred thousand dollars (\$3,500,000) to
 19 the treasurer of the northwest Indiana regional development
 20 authority under IC 36-7.5-4-2 before certified distributions are
 21 made to the county or any cities or towns in the county. In Porter
 22 County, all of the tax revenue that results each year from the tax
 23 rate increase that is in excess of the first three million five
 24 hundred thousand dollars (\$3,500,000) that results each year from
 25 the tax rate increase must be used by the county and cities and
 26 towns in the county for homestead credits under subdivision (5).
 27 (5) This subdivision applies only in Porter County. All of the tax
 28 revenue that results each year from a tax rate increase described
 29 in subdivision (4) that is in excess of the first three million five
 30 hundred thousand dollars (\$3,500,000) that results each year from
 31 the tax rate increase must be used by the county and cities and
 32 towns in the county for homestead credits under this subdivision.
 33 The following apply to homestead credits provided under this
 34 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



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- credits that apply to the amount owed under IC 6-1.1.
- (D) The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide homestead credits in that year.
- (6) This subdivision applies only in Lake County. The county or a city or town in the county may use county economic development income tax revenue to provide homestead credits in the county, city, or town. The following apply to homestead credits provided under this subdivision:
 - (A) The county, city, or town fiscal body must adopt an ordinance authorizing the homestead credits. The ordinance must specify the amount of county economic development income tax revenue that will be used to provide homestead credits in the following year.
 - (B) The county, city, or town fiscal body that adopts an ordinance under this subdivision must forward a copy of the ordinance to the county auditor and the department of local government finance not more than thirty (30) days after the ordinance is adopted.
 - (C) The homestead credits must be applied uniformly to increase the homestead credit under IC 6-1.1-20.9 (repealed) for homesteads in the county, city, or town (for property taxes first due and payable before January 1, 2009) or to provide a homestead credit for homesteads in the county, city, or town (for property taxes first due and payable after December 31, 2008).
 - (D) The homestead credits shall be treated for all purposes as property tax levies.
 - (E) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.
 - (F) The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide homestead credits in that year.
- (7) For a regional venture capital fund established under section 13.5 of this chapter or a local venture capital fund established under section 13.6 of this chapter.



- 1 (8) This subdivision applies only to LaPorte County, if:
 2 (A) the county fiscal body has adopted an ordinance under
 3 IC 36-7.5-2-3(e) providing that the county is joining the
 4 northwest Indiana regional development authority; and
 5 (B) the fiscal body of the city described in IC 36-7.5-2-3(e) has
 6 adopted an ordinance under IC 36-7.5-2-3(e) providing that
 7 the city is joining the development authority.

8 Revenue from the county economic development income tax may
 9 be used by a county or a city described in this subdivision for
 10 making transfers required by IC 36-7.5-4-2. In addition, if the
 11 county economic development income tax rate is increased after
 12 June 30, 2006, in the county, the first three million five hundred
 13 thousand dollars (\$3,500,000) of the tax revenue that results each
 14 year from the tax rate increase shall be used by the county only to
 15 make the county's transfer required by IC 36-7.5-4-2. The first
 16 three million five hundred thousand dollars (\$3,500,000) of the
 17 tax revenue that results each year from the tax rate increase shall
 18 be paid by the county treasurer to the treasurer of the northwest
 19 Indiana regional development authority under IC 36-7.5-4-2
 20 before certified distributions are made to the county or any cities
 21 or towns in the county under this chapter from the tax revenue
 22 that results each year from the tax rate increase. All of the tax
 23 revenue that results each year from the tax rate increase that is in
 24 excess of the first three million five hundred thousand dollars
 25 (\$3,500,000) that results each year from the tax rate increase must
 26 be used by the county and cities and towns in the county for
 27 homestead credits under subdivision (9).

28 (9) This subdivision applies only to LaPorte County. All of the tax
 29 revenue that results each year from a tax rate increase described
 30 in subdivision (8) that is in excess of the first three million five
 31 hundred thousand dollars (\$3,500,000) that results each year from
 32 the tax rate increase must be used by the county and cities and
 33 towns in the county for homestead credits under this subdivision.
 34 The following apply to homestead credits provided under this
 35 subdivision:

- 36 (A) The homestead credits must be applied uniformly to
 37 provide a homestead credit for homesteads in the county, city,
 38 or town.
 39 (B) The homestead credits shall be treated for all purposes as
 40 property tax levies.
 41 (C) The homestead credits shall be applied to the net property
 42 taxes due on the homestead after the application of all other



- 1 assessed value deductions or property tax deductions and
2 credits that apply to the amount owed under IC 6-1.1.
- 3 (D) The department of local government finance shall
4 determine the homestead credit percentage for a particular
5 year based on the amount of county economic development
6 income tax revenue that will be used under this subdivision to
7 provide homestead credits in that year.
- 8 (c) As used in this section, an economic development project is any
9 project that:
- 10 (1) the county, city, or town determines will:
- 11 (A) promote significant opportunities for the gainful
12 employment of its citizens;
- 13 (B) attract a major new business enterprise to the unit; or
- 14 (C) retain or expand a significant business enterprise within
15 the unit; and
- 16 (2) involves an expenditure for:
- 17 (A) the acquisition of land;
- 18 (B) interests in land;
- 19 (C) site improvements;
- 20 (D) infrastructure improvements;
- 21 (E) buildings;
- 22 (F) structures;
- 23 (G) rehabilitation, renovation, and enlargement of buildings
24 and structures;
- 25 (H) machinery;
- 26 (I) equipment;
- 27 (J) furnishings;
- 28 (K) facilities;
- 29 (L) administrative expenses associated with such a project,
30 including contract payments authorized under subsection
31 (b)(2)(D);
- 32 (M) operating expenses authorized under subsection (b)(2)(E);
33 or
- 34 (N) to the extent not otherwise allowed under this chapter,
35 substance removal or remedial action in a designated unit;
- 36 or any combination of these.
- 37 (d) If there are bonds outstanding that have been issued under
38 section 14 of this chapter or leases in effect under section 21 of this
39 chapter, the county or a city or town may not expend money from its
40 economic development income tax fund for a purpose authorized under
41 subsection (b)(3) in a manner that would adversely affect owners of the
42 outstanding bonds or payment of any lease rentals due.



1 SECTION 6. IC 8-22-3-4.3, AS AMENDED BY P.L.230-2013,
 2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2015]: Sec. 4.3. (a) This section applies only to the board of
 4 an airport authority that:

- 5 (1) is not located in a county containing a consolidated city;
- 6 (2) is established by a city; and
- 7 (3) has entered into a federal interstate compact.

8 (b) The board of an airport authority described in subsection (a)
 9 consists of members appointed as follows:

- 10 (1) Four (4) members appointed by the executive of the city in
 11 which the airport is located. Not more than two (2) members
 12 appointed under this subdivision may be members of the same
 13 political party.
- 14 (2) One (1) member appointed by the executive of the county in
 15 which the airport is located.
- 16 (3) One (1) member appointed by the executive of the county
 17 (other than the county in which the airport is located) that is
 18 closest geographically to the airport.
- 19 (4) One (1) member appointed by the governor.

20 (c) A member of the board holds office for four (4) years and until
 21 the member's successor is appointed and qualified.

22 (d) If a vacancy occurs in the board, the authority that appointed the
 23 member that vacated the board shall appoint an individual to serve for
 24 the remainder of the unexpired term.

25 (e) A board member may be reappointed to successive terms.

26 (f) A board member may be impeached under the procedure
 27 provided for the impeachment of county officers.

28 (g) The board member appointed under subsection (b)(4) serves as
 29 the president of the board.

30 (h) On September 1, 2013, the term of each member serving on the
 31 board of the airport authority originally established by the city of Gary
 32 is terminated. The appointing authorities required to make
 33 appointments to the board under this section shall make new
 34 appointments to the board as soon as possible after August 31, 2013.

35 (i) Each person appointed by an appointing authority under
 36 subsection (b) must have knowledge of and at least five (5) years
 37 professional work experience in at least one (1) of the following:

- 38 (1) Aviation management at an executive level.
- 39 (2) Regional economic development.
- 40 (3) Business or finance.

41 (j) A person appointed by an appointing authority under subsection
 42 (b) may not personally have, or be employed by or have an ownership



1 interest in an entity that has, a significant contractual or business
2 relationship with the airport authority.

3 (k) The board of an airport authority described in subsection (a)
4 shall contract with a certified public accountant for an annual financial
5 audit of the airport authority. The certified public accountant may not
6 be selected without review of the accountant's proposal and approval
7 of the accountant by the state board of accounts. The certified public
8 accountant may not have a significant financial interest, as determined
9 by the board of the airport authority, in a project, facility, or service
10 owned by, funded by, or leased by or to the airport authority. The
11 certified public accountant shall present the annual financial audit not
12 later than four (4) months after the end of the airport authority's fiscal
13 year. ~~The certified public accountant shall also perform a study and~~
14 ~~evaluation of the airport authority's internal accounting controls and~~
15 ~~shall express an opinion on the controls that were in effect during the~~
16 ~~audit period.~~ The board of the airport authority shall pay the cost of the
17 annual financial audit. In addition, the state board of accounts may at
18 any time conduct an audit of any phase of the operations of the airport
19 authority. The airport authority shall pay the cost of any audit by the
20 state board of accounts.

21 (l) The board of the airport authority shall, not later than four (4)
22 months after the end of the airport authority's fiscal year, submit an
23 annual report of the board's activities for the preceding fiscal year to:

- 24 (1) the budget agency, for review by the budget committee; and
- 25 (2) the legislative council.

26 An annual report submitted under this section to the legislative council
27 must be in an electronic format under IC 5-14-6. The annual report
28 must set forth a complete operating and financial statement of the
29 airport authority for the airport authority's preceding fiscal year.

30 SECTION 7. IC 36-7.5-1-10, AS ADDED BY P.L.214-2005,
31 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 JULY 1, 2015]: Sec. 10. "Economic development project" means the
33 following:

- 34 (1) An economic development project described in
35 ~~IC 6-3.5-7-13.1(e).~~ **any of the following:**

36 (A) IC 36-7.5-2-1(2) or IC 36-7.5-2-1(3).

37 (B) IC 36-7.5-3-1(2) or IC 36-7.5-3-1(4).

38 (C) **The Marquette Plan.**

- 39 (2) A dredging, sediment removal, or channel improvement
40 project.

41 SECTION 8. IC 36-7.5-1-12.7 IS ADDED TO THE INDIANA
42 CODE AS A NEW SECTION TO READ AS FOLLOWS



1 [EFFECTIVE JULY 1, 2015]: **Sec. 12.7. "Marquette Plan" refers to**
 2 **the proposal for lakeshore reinvestment prepared for the**
 3 **northwest Indiana regional planning commission in February**
 4 **2008.**

5 SECTION 9. IC 36-7.5-2-1, AS AMENDED BY P.L.197-2011,
 6 SECTION 150, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2015]: Sec. 1. The northwest Indiana regional
 8 development authority is established as a separate body corporate and
 9 politic to carry out the purposes of this article by:

10 (1) acquiring, constructing, equipping, owning, leasing, and
 11 financing projects and facilities for lease to or for the benefit of
 12 eligible political subdivisions under this article **in accordance**
 13 **with IC 36-7.5-3-1.5;**

14 (2) funding and developing the Gary/Chicago International
 15 Airport expansion and other airport authority projects, commuter
 16 transportation district and other rail projects and services,
 17 regional bus authority projects and services, regional
 18 transportation authority projects and services, Lake Michigan
 19 marina and shoreline development projects and activities, and
 20 economic development projects in northwestern Indiana; and

21 (3) assisting with the funding of infrastructure needed to sustain
 22 development of an intermodal facility in northwestern Indiana.

23 SECTION 10. IC 36-7.5-2-6, AS AMENDED BY P.L.47-2006,
 24 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2015]: Sec. 6. (a) The development board shall meet at least
 26 quarterly.

27 (b) The chair of the development board or any two (2) members of
 28 the development board may call a special meeting of the development
 29 board.

30 (c) Five (5) members of the development board constitute a quorum.
 31 However, if the county described in section 3(e) of this chapter is an
 32 eligible county participating in the development authority, six (6)
 33 members of the development board constitute a quorum.

34 (d) The affirmative votes of at least five (5) members of the
 35 development board are necessary to authorize any action of the
 36 development authority. However, if the county described in section
 37 3(e) of this chapter is an eligible county participating in the
 38 development authority, the affirmative votes of at least six (6) members
 39 of the development board are necessary to authorize any action of the
 40 development authority.

41 (e) Notwithstanding any other provision of this article, the minimum
 42 number of affirmative votes required under subsection (d) to take any



1 of the following actions must include the affirmative vote of the
 2 member appointed by the governor who is not nominated under section
 3 3(d) or 3(f) of this chapter:

- 4 (1) Making loans, loan guarantees, or grants or providing any
 5 other funding or financial assistance for projects.
- 6 (2) Acquiring or condemning property.
- 7 (3) Entering into contracts.
- 8 (4) Employing an executive director or any consultants or
 9 technical experts.
- 10 (5) Issuing bonds or entering into a lease of a project.

11 **(f) A member of the board may not:**

- 12 **(1) designate another individual to attend a board meeting on**
 13 **behalf of the member in the member's absence; or**
- 14 **(2) allow another member of the board to cast a proxy vote on**
 15 **behalf of the member in the member's temporary absence**
 16 **from a meeting.**

17 SECTION 11. IC 36-7.5-3-1, AS AMENDED BY P.L.197-2011,
 18 SECTION 151, IS AMENDED TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2015]: Sec. 1. The development authority shall
 20 do the following:

- 21 (1) **Subject to section 1.5 of this chapter**, assist in the
 22 coordination of local efforts concerning projects.
- 23 (2) Assist a commuter transportation district, an airport authority,
 24 the Lake Michigan marina and shoreline development
 25 commission, a regional transportation authority, and a regional
 26 bus authority in coordinating regional transportation and
 27 economic development efforts.
- 28 (3) **Subject to section 1.5 of this chapter**, fund projects as
 29 provided in this article.
- 30 (4) Fund bus services (including fixed route services and flexible
 31 or demand-responsive services) and projects related to bus
 32 services and bus terminals, stations, or facilities.

33 SECTION 12. IC 36-7.5-3-1.5 IS ADDED TO THE INDIANA
 34 CODE AS A NEW SECTION TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2015]: **Sec. 1.5. (a) This section applies to**
 36 **revenue received by the authority to the extent that the revenue has**
 37 **not been pledged or otherwise obligated to pay bonds or leases**
 38 **entered into before July 1, 2015.**

39 **(b) The authority may expend money received under this article**
 40 **to fund economic development projects only to the extent that:**

- 41 **(1) the development board finds that the economic**
 42 **development project is consistent with:**



- 1 (A) a duty imposed upon the development authority under
2 section 1(2) or 1(4) of this chapter; or
3 (B) the Marquette Plan; and
4 (2) funding the project is reviewed by the state budget
5 committee under subsection (c).
6 (c) The development board shall submit to the state budget
7 committee for review and comment any proposal to fund an
8 economic development project under this article. The state budget
9 committee shall review any proposal received under this subsection
10 and may request that the authority appear at a public meeting of
11 the state budget committee concerning the funding proposal.
12 SECTION 13. IC 36-7.5-3-5.4 IS ADDED TO THE INDIANA
13 CODE AS A NEW SECTION TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2015]: Sec. 5.4. (a) For purposes of this
15 section, "northwest Indiana plan" refers to the activities of the
16 Indiana plan for equal employment in its northwest Indiana region.
17 (b) Subject to subsection (c), the development authority shall set
18 a goal to achieve employment and retention of employees from
19 certain northwest Indiana cities for work on development
20 authority projects. The goal must be to attain, by not later than
21 January 1, 2020, a workforce for each project that consists of at
22 least twenty percent (20%) of employees who are individuals who
23 reside in cities that:
24 (1) are within the boundaries of the development authority;
25 and
26 (2) have an unemployment rate that exceeds the state
27 unemployment rate by more than twenty percent (20%).
28 (c) The goal set forth in subsection (b) applies:
29 (1) to development authority investments of state and local
30 funds on capital projects that require construction or
31 demolition; and
32 (2) unless attainment of the goal is inconsistent with any
33 federal or state law or regulation.
34 (d) The development authority shall before November 1 of each
35 year issue a report to the legislative council, the budget committee,
36 and the governor concerning the operations and activities of the
37 development authority during the preceding state fiscal year as
38 indicated in section 3 of this chapter. In addition, the development
39 authority shall report on progress toward meeting the goal set
40 forth in subsection (b) for the previous year and report any
41 obstacles to achieving the goal set forth in subsection (b) and the
42 use of the northwest Indiana plan in the report to the legislative



1 **council. The report to the legislative council must be in an**
 2 **electronic format under IC 5-14-6.**

3 SECTION 14. IC 36-7.5-4-2, AS AMENDED BY P.L.119-2012,
 4 SECTION 217, IS AMENDED TO READ AS FOLLOWS
 5 [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) Except as provided in
 6 ~~subsection~~ **subsections (b) and (d)**, beginning in 2006 the fiscal officer
 7 of each city and county described in IC 36-7.5-2-3(b) shall each
 8 transfer three million five hundred thousand dollars (\$3,500,000) each
 9 year to the development authority for deposit in the development
 10 authority fund established under section 1 of this chapter. However, if
 11 a county having a population of more than one hundred fifty thousand
 12 (150,000) but less than one hundred seventy thousand (170,000) ceases
 13 to be a member of the development authority and two (2) or more
 14 municipalities in the county have become members of the development
 15 authority as authorized by IC 36-7.5-2-3(i), the transfer of county
 16 economic development income tax transferred under
 17 IC 6-3.5-7-13.1(b)(4) is the contribution of the municipalities in the
 18 county that have become members of the development authority.

19 (b) This subsection applies only if:

20 (1) the fiscal body of the county described in IC 36-7.5-2-3(e) has
 21 adopted an ordinance under IC 36-7.5-2-3(e) providing that the
 22 county is joining the development authority;

23 (2) the fiscal body of the city described in IC 36-7.5-2-3(e) has
 24 adopted an ordinance under IC 36-7.5-2-3(e) providing that the
 25 city is joining the development authority; and

26 (3) the county described in IC 36-7.5-2-3(e) is an eligible county
 27 participating in the development authority.

28 Beginning in 2007, the fiscal officer of the county described in
 29 IC 36-7.5-2-3(e) shall transfer two million six hundred twenty-five
 30 thousand dollars (\$2,625,000) each year to the development authority
 31 for deposit in the development authority fund established under section
 32 1 of this chapter. Beginning in 2007, the fiscal officer of the city
 33 described in IC 36-7.5-2-3(e) shall transfer eight hundred seventy-five
 34 thousand dollars (\$875,000) each year to the development authority for
 35 deposit in the development authority fund established under section 1
 36 of this chapter.

37 (c) **This subsection does not apply to Lake County, Hammond,**
 38 **Gary, or East Chicago.** The following apply to the **remaining**
 39 transfers required by subsections (a) and (b):

40 (1) Except for transfers of money described in subdivision (4)(D),
 41 the transfers shall be made without appropriation by the city or
 42 county fiscal body or approval by any other entity.



1 (2) Except as provided in subdivision (3), after December 31,
 2 2005, each fiscal officer shall transfer eight hundred seventy-five
 3 thousand dollars (\$875,000) to the development authority fund
 4 before the last business day of January, April, July, and October
 5 of each year. Food and beverage tax revenue deposited in the fund
 6 under IC 6-9-36-8 is in addition to the transfers required by this
 7 section.

8 (3) After December 31, 2006, the fiscal officer of the county
 9 described in IC 36-7.5-2-3(e) shall transfer six hundred fifty-six
 10 thousand two hundred fifty dollars (\$656,250) to the development
 11 authority fund before the last business day of January, April, July,
 12 and October of each year. The county is not required to make any
 13 payments or transfers to the development authority covering any
 14 time before January 1, 2007. The fiscal officer of a city described
 15 in IC 36-7.5-2-3(e) shall transfer two hundred eighteen thousand
 16 seven hundred fifty dollars (\$218,750) to the development
 17 authority fund before the last business day of January, April, July,
 18 and October of each year. The city is not required to make any
 19 payments or transfers to the development authority covering any
 20 time before January 1, 2007.

21 (4) The transfers shall be made from one (1) or more of the
 22 following:

23 (A) Riverboat admissions tax revenue received by the city or
 24 county, riverboat wagering tax revenue received by the city or
 25 county, or riverboat incentive payments received from a
 26 riverboat licensee by the city or county.

27 (B) Any county economic development income tax revenue
 28 received under IC 6-3.5-7 by the city or county.

29 (C) Any other local revenue other than property tax revenue
 30 received by the city or county.

31 (D) In the case of a county described in IC 36-7.5-2-3(e) or a
 32 city described in IC 36-7.5-2-3(e), any money from the major
 33 moves construction fund that is distributed to the county or
 34 city under IC 8-14-16.

35 **(d) This subsection applies only to Lake County, Hammond,**
 36 **Gary, and East Chicago. The obligations of each city and the**
 37 **county under subsection (a) are satisfied by the distributions made**
 38 **by the auditor of state on behalf of each unit under IC 4-33-12-6(d)**
 39 **and IC 4-33-13-5(j). However, if the total amount distributed under**
 40 **IC 4-33 on behalf of a unit with respect to a particular state fiscal**
 41 **year is less than the amount required by subsection (a), the fiscal**
 42 **officer of the unit shall transfer the amount of the shortfall to the**



1 **authority from any source of revenue available to the unit other**
 2 **than property taxes. The auditor of state shall certify the amount**
 3 **of any shortfall to the fiscal officer of the unit after making the**
 4 **distribution required by IC 4-33-13-5(j) on behalf of the unit with**
 5 **respect to a particular state fiscal year.**

6 SECTION 15. IC 36-7.5-4-16, AS ADDED BY P.L.214-2005,
 7 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2015]: Sec. 16. (a) This section applies if:

9 ~~(+) a city or county described in IC 36-7.5-2-3 fails to make a~~
 10 ~~transfer or a part of a transfer required by section 2 of this~~
 11 ~~chapter. and~~

12 ~~(2) the development authority has bonds or other debt or lease~~
 13 ~~obligations outstanding.~~

14 (b) The treasurer of state shall do the following:

15 (1) Deduct from amounts otherwise payable to the city or ~~town~~
 16 ~~county~~ under ~~IC 4-33-12~~ or IC 4-33-13 an amount equal to the
 17 amount of the transfer or part of the transfer under section 2 of
 18 this chapter that the city or county failed to make.

19 (2) Pay the amount deducted under subdivision (1) to the
 20 development authority.

21 SECTION 16. IC 36-7.5-4-16.5 IS ADDED TO THE INDIANA
 22 CODE AS A NEW SECTION TO READ AS FOLLOWS
 23 [EFFECTIVE JULY 1, 2015]: **Sec. 16.5. (a) This section applies if the**
 24 **development board does the following:**

25 **(1) Finds that a city or county described in IC 36-7.5-2-3 has,**
 26 **at any time before July 1, 2015, failed to make a transfer or a**
 27 **part of a transfer required by section 2 of this chapter.**

28 **(2) Finds that the obligation of the city or county to pay the**
 29 **unpaid amount of the transfer or transfers has not been**
 30 **satisfied under section 16 of this chapter or by any other**
 31 **means.**

32 **(3) Certifies to the treasurer of state the total amount of the**
 33 **arrearage attributable to the failure of the city or county to**
 34 **make a transfer or a part of a transfer required by section 2**
 35 **of this chapter.**

36 (b) The treasurer of state shall do the following:

37 (1) Deduct from amounts otherwise payable to the city under
 38 IC 4-33-13-5(a) or to the county under IC 4-33-12-6 an
 39 amount equal to:

40 (A) the total amount certified under subsection (a)(1); plus

41 (B) interest calculated in the same manner that interest on
 42 delinquent taxes is calculated under IC 6-8.1-10-1.



1 **(2) Pay the amount deducted under subdivision (1) to the**
2 **development authority.**
3 SECTION 17. [EFFECTIVE JULY 1, 2015] **(a) IC 4-33-12-6,**
4 **IC 4-33-12.5-6, IC 4-33-13-5, and IC 6-3.1-20-7, all as amended by**
5 **this act, apply to:**
6 **(1) riverboat admissions tax revenue collected with respect to**
7 **persons who are admitted to a riverboat after June 30, 2015;**
8 **and**
9 **(2) riverboat wagering tax revenue collected with respect to**
10 **wagers made after June 30, 2015.**
11 **(b) IC 6-3.5-7-13.1 and IC 36-7.5-4-2, both as amended by this**
12 **act, apply to a state fiscal year beginning after June 30, 2015.**
13 **(c) This SECTION expires July 1, 2016.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1398, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1398 as introduced.)

BROWN T

Committee Vote: Yeas 16, Nays 4

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1398, 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 22, after line 42, begin a new paragraph and insert:

"SECTION 6. IC 8-22-3-4.3, AS AMENDED BY P.L.230-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4.3. (a) This section applies only to the board of an airport authority that:

- (1) is not located in a county containing a consolidated city;
- (2) is established by a city; and
- (3) has entered into a federal interstate compact.

(b) The board of an airport authority described in subsection (a) consists of members appointed as follows:

- (1) Four (4) members appointed by the executive of the city in which the airport is located. Not more than two (2) members appointed under this subdivision may be members of the same political party.
- (2) One (1) member appointed by the executive of the county in which the airport is located.
- (3) One (1) member appointed by the executive of the county (other than the county in which the airport is located) that is closest geographically to the airport.
- (4) One (1) member appointed by the governor.

(c) A member of the board holds office for four (4) years and until the member's successor is appointed and qualified.

(d) If a vacancy occurs in the board, the authority that appointed the member that vacated the board shall appoint an individual to serve for

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the remainder of the unexpired term.

(e) A board member may be reappointed to successive terms.

(f) A board member may be impeached under the procedure provided for the impeachment of county officers.

(g) The board member appointed under subsection (b)(4) serves as the president of the board.

(h) On September 1, 2013, the term of each member serving on the board of the airport authority originally established by the city of Gary is terminated. The appointing authorities required to make appointments to the board under this section shall make new appointments to the board as soon as possible after August 31, 2013.

(i) Each person appointed by an appointing authority under subsection (b) must have knowledge of and at least five (5) years professional work experience in at least one (1) of the following:

- (1) Aviation management at an executive level.
- (2) Regional economic development.
- (3) Business or finance.

(j) A person appointed by an appointing authority under subsection (b) may not personally have, or be employed by or have an ownership interest in an entity that has, a significant contractual or business relationship with the airport authority.

(k) The board of an airport authority described in subsection (a) shall contract with a certified public accountant for an annual financial audit of the airport authority. The certified public accountant may not be selected without review of the accountant's proposal and approval of the accountant by the state board of accounts. The certified public accountant may not have a significant financial interest, as determined by the board of the airport authority, in a project, facility, or service owned by, funded by, or leased by or to the airport authority. The certified public accountant shall present the annual financial audit not later than four (4) months after the end of the airport authority's fiscal year. ~~The certified public accountant shall also perform a study and evaluation of the airport authority's internal accounting controls and shall express an opinion on the controls that were in effect during the audit period.~~ The board of the airport authority shall pay the cost of the annual financial audit. In addition, the state board of accounts may at any time conduct an audit of any phase of the operations of the airport authority. The airport authority shall pay the cost of any audit by the state board of accounts.

(l) The board of the airport authority shall, not later than four (4) months after the end of the airport authority's fiscal year, submit an annual report of the board's activities for the preceding fiscal year to:



- (1) the budget agency, for review by the budget committee; and
- (2) the legislative council.

An annual report submitted under this section to the legislative council must be in an electronic format under IC 5-14-6. The annual report must set forth a complete operating and financial statement of the airport authority for the airport authority's preceding fiscal year."

Page 23, line 16, after "February" delete ",".

Page 23, delete lines 36 through 42.

Delete pages 24 through 25.

Page 26, delete lines 1 through 27.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1398 as printed February 17, 2015.)

HERSHMAN, Chairperson

Committee Vote: Yeas 13, Nays 0.

SENATE MOTION

Madam President: I move that Engrossed House Bill 1398 be amended to read as follows:

Page 27, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 13. IC 36-7.5-3-5.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 5.4. (a) For purposes of this section, "northwest Indiana plan" refers to the activities of the Indiana plan for equal employment in its northwest Indiana region.**

(b) Subject to subsection (c), the development authority shall set a goal to achieve employment and retention of employees from certain northwest Indiana cities for work on development authority projects. The goal must be to attain, by not later than January 1, 2020, a workforce for each project that consists of at least twenty percent (20%) of employees who are individuals who reside in cities that:

- (1) are within the boundaries of the development authority;**
- and**
- (2) have an unemployment rate that exceeds the state unemployment rate by more than twenty percent (20%).**

(c) The goal set forth in subsection (b) applies:

- (1) to development authority investments of state and local**

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funds on capital projects that require construction or demolition; and

(2) unless attainment of the goal is inconsistent with any federal or state law or regulation.

(d) The development authority shall before November 1 of each year issue a report to the legislative council, the budget committee, and the governor concerning the operations and activities of the development authority during the preceding state fiscal year as indicated in section 3 of this chapter. In addition, the development authority shall report on progress toward meeting the goal set forth in subsection (b) for the previous year and report any obstacles to achieving the goal set forth in subsection (b) and the use of the northwest Indiana plan in the report to the legislative council. The report to the legislative council must be in an electronic format under IC 5-14-6."

Renumber all SECTIONS consecutively.

(Reference is to EHB 1398 as printed March 27, 2015.)

ROGERS

