

HOUSE BILL No. 1440

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-30-16-3; IC 7.1-4-8-2; IC 14-28-7.

Synopsis: Flood control public works projects. Creates the water resource development and flood prevention grant fund (fund). Requires the transfer of \$10,000,000 of surplus revenue from the Hoosier Lottery per year, in quarterly installments, to the fund. Provides that if the surplus revenue from the Hoosier Lottery is insufficient to make any quarterly installment, the insufficiency shall be made up through a transfer from the postwar construction fund. Provides that the fund shall be administered by the Indiana finance authority (authority) and used to provide grants to towns, cities, and counties for flood control public works projects. Requires that all money transferred to or deposited in the fund during the period beginning July 1, 2018, and ending when the flood control public works project is completed or December 31, 2024, whichever is later, shall be granted to the town of Rocky Ripple for purposes of a flood control public works project. Provides that this flood control public works project must be approved by the authority, the United States Army Corps of Engineers, the mayor of the city of Indianapolis, and the president of the town council of Rocky Ripple. Makes an appropriation.

Effective: July 1, 2017.

Porter

January 17, 2017, read first time and referred to Committee on Natural Resources.



First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

HOUSE BILL No. 1440

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

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

1 SECTION 1. IC 4-30-16-3, AS AMENDED BY P.L.146-2008,
2 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2017]: Sec. 3. (a) The commission shall transfer the surplus
4 revenue in the administrative trust fund as follows:

5 (1) Before the last business day of January, April, July, and
6 October, the commission shall transfer to the treasurer of state, for
7 deposit in the Indiana state teachers' retirement fund
8 (IC 5-10.4-2), seven million five hundred thousand dollars
9 (\$7,500,000). Notwithstanding any other law, including any
10 appropriations law resulting from a budget bill (as defined in
11 IC 4-12-1-2), the money transferred under this subdivision shall
12 be set aside in the pension stabilization fund (IC 5-10.4-2-5) to be
13 used as a credit against the unfunded accrued liability of the
14 pre-1996 account (as defined in IC 5-10.4-1-12) of the Indiana
15 state teachers' retirement fund. The money transferred is in
16 addition to the appropriation needed to pay benefits for the state
17 fiscal year.



1 (2) Before the last business day of January, April, July, and
 2 October, the commission shall transfer seven million five hundred
 3 thousand dollars (\$7,500,000) of the surplus revenue to the
 4 treasurer of state for deposit in the pension relief fund
 5 (IC 5-10.3-11).

6 **(3) On the last day of January, April, July, and October, after**
 7 **the transfers required under subdivisions (1) and (2), the**
 8 **commission shall transfer two million five hundred thousand**
 9 **dollars (\$2,500,000) for deposit in the water resource**
 10 **development and flood prevention grant fund established**
 11 **under IC 14-28-7. If, on a day on which a transfer is required**
 12 **by this subdivision, the balance in the administrative trust**
 13 **fund is not sufficient to make the full transfer required by this**
 14 **subdivision, the entire balance in the administrative trust**
 15 **fund shall be transferred for deposit in the water resource**
 16 **development and flood prevention grant fund and the**
 17 **difference between two million five hundred thousand dollars**
 18 **(\$2,500,000) and the balance in the administrative trust fund**
 19 **shall be transferred from the postwar construction fund**
 20 **described in IC 7.1-4-8-1 for deposit in the water resource**
 21 **development and flood prevention grant fund.**

22 ~~(3)~~ **(4)** The surplus revenue remaining in the fund on the last day
 23 of January, April, July, and October after the transfers under
 24 subdivisions (1), ~~and~~ (2), ~~and~~ **(3)** shall be transferred by the
 25 commission to the treasurer of state for deposit on that day in the
 26 build Indiana fund.

27 (b) The commission may make transfers to the treasurer of state
 28 more frequently than required by subsection (a). However, the number
 29 of transfers does not affect the amount that is required to be transferred
 30 for the purposes listed in subsection (a)(1), ~~and~~ (a)(2), ~~and~~ **(a)(3)**. Any
 31 amount transferred during the month in excess of the amount required
 32 to be transferred for the purposes listed in subsection (a)(1), ~~and~~ (a)(2),
 33 ~~and~~ **(a)(3)** shall be transferred to the build Indiana fund.

34 SECTION 2. IC 7.1-4-8-2, AS AMENDED BY P.L.234-2007,
 35 SECTION 274, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2017]: Sec. 2. **(a) Except as provided in**
 37 **subsection (b)**, the monies deposited in the postwar construction fund
 38 shall be used for construction by the state for the use of:

- 39 (1) penal, benevolent, charitable and educational institutions of
 40 the state;
 41 (2) public safety projects of the state; and
 42 (3) municipal water and sewer infrastructure improvements



1 necessary or useful for an institution or project described in
2 subdivision (1) or (2).

3 **(b) If, on the last day of January, April, July, or October, the**
4 **surplus revenue in the administrative trust fund created by**
5 **IC 4-30-15-1 is less than two million five hundred thousand dollars**
6 **(\$2,500,000), the entire balance in the administrative trust fund**
7 **shall be transferred to the water resource development and flood**
8 **prevention grant fund established by IC 14-28-7-5 and an amount**
9 **equal to the difference between two million five hundred thousand**
10 **dollars (\$2,500,000) and the balance in the administrative trust**
11 **fund shall be transferred from the postwar construction fund to the**
12 **water resource development and flood prevention grant fund.**

13 SECTION 3. IC 14-28-7 IS ADDED TO THE INDIANA CODE AS
14 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
15 1, 2017]:

16 **Chapter 7. Water Resource Development and Flood Prevention**
17 **Grant Program**

18 **Sec. 1. As used in this chapter, "authority" refers to the Indiana**
19 **finance authority established by IC 4-4-11-4.**

20 **Sec. 2. As used in this chapter, "flood control public works**
21 **project" means the construction of a dike, a levee, or another flood**
22 **protective work.**

23 **Sec. 3. As used in this chapter, "fund" refers to the water**
24 **resource development and flood prevention grant fund established**
25 **by section 5 of this chapter.**

26 **Sec. 4. As used in this chapter, "participant" means one (1) of**
27 **the following:**

- 28 (1) A town, city, or county.
29 (2) Any combination of entities referred to in subdivision (1)
30 acting in concert to obtain a grant under this chapter.

31 **Sec. 5. (a) The water resource development and flood prevention**
32 **grant fund is established for the purpose of providing grants to**
33 **participants for flood control public works projects. The fund shall**
34 **be administered by the authority.**

- 35 **(b) The fund consists of:**
36 **(1) transfers of surplus revenue from the administrative trust**
37 **fund under IC 4-30-16-3(a)(3);**
38 **(2) transfers from the postwar construction fund under**
39 **IC 7.1-4-8-2(b);**
40 **(3) money transferred to the account under any other law;**
41 **(4) appropriations from the general assembly and gifts and**
42 **grants to the fund; and**



- 1 **(5) interest deposited in the fund under subsection (d).**
 2 **(c) The expenses of administering the fund shall be paid from**
 3 **money in the fund.**
 4 **(d) The treasurer of state shall invest the money in the fund not**
 5 **currently needed to meet the obligations of the fund in the same**
 6 **manner as other public money may be invested. Interest that**
 7 **accrues from these investments shall be deposited in the fund.**
 8 **(e) Money in the fund at the end of a state fiscal year does not**
 9 **revert to the state general fund.**
 10 **(f) Money in the fund is continuously appropriated for the**
 11 **purposes of this chapter.**
 12 **Sec. 6. The authority may make a grant from the fund to a**
 13 **participant. A participant that receives a grant under this chapter**
 14 **must use the grant for a flood control public works project.**
 15 **Sec. 7. The authority shall authorize the making of a grant to a**
 16 **participant under this chapter only if the following conditions have**
 17 **been met:**
 18 **(1) An application for the grant has been submitted by the**
 19 **participant to the authority in the manner and form that the**
 20 **authority directs. The application must state the following:**
 21 **(A) The need for the flood control public works project**
 22 **and the need for money for instituting, accomplishing, and**
 23 **administering the flood control public works project.**
 24 **(B) A detailed description of the flood control public works**
 25 **project.**
 26 **(C) An engineering estimate of the cost of the proposed**
 27 **flood control public works project that is acceptable to the**
 28 **authority.**
 29 **(D) The amount of money considered to be needed for the**
 30 **flood control public works project.**
 31 **(E) Other information that is requested by the authority.**
 32 **(2) There is a need, as determined by the authority, for the**
 33 **proposed flood control public works project for the purpose**
 34 **of protecting the health, safety, and general welfare of the**
 35 **inhabitants of the participant's jurisdiction.**
 36 **(3) The participant agrees and furnishes assurance,**
 37 **satisfactory to the authority, that the participant will operate**
 38 **and maintain the dike, levee, or other flood protective work**
 39 **constructed with money from the grant in a satisfactory**
 40 **manner.**
 41 **Sec. 8. (a) The authority shall ascribe a priority rating to each**
 42 **participant applying for a grant under this chapter. Each**



1 participant's priority rating must be based primarily on the
 2 participant's need for the flood control public works project
 3 proposed for the participant relative to the needs of other
 4 participants for the proposed flood control public works projects
 5 proposed for those applicants. Except as provided in subsections
 6 (b) and (d), the applicant having the highest priority rating shall be
 7 given first consideration in the awarding of grants under this
 8 chapter.

9 (b) All money transferred to or deposited in the fund during the
 10 period:

11 (1) beginning July 1, 2018; and

12 (2) ending:

13 (A) when the flood control public works project is
 14 completed; or

15 (B) December 31, 2024;

16 whichever is later;

17 shall be granted under this chapter to the town of Rocky Ripple for
 18 purposes of a flood control public works project that protects the
 19 town of Rocky Ripple from flooding of the White River and the
 20 Indiana Central Canal but does involve the removal of river front
 21 homes or the construction of a flood wall that would adversely
 22 affect the property value of homes in the town of Rocky Ripple.

23 (c) The flood control public works project for which money shall
 24 be granted under subsection (b) must be:

25 (1) approved by:

26 (A) the authority;

27 (B) the United States Army Corps of Engineers;

28 (C) the mayor of the city of Indianapolis; and

29 (D) the president of the town council of Rocky Ripple; and

30 (2) authorized and approved by an ordinance or resolution
 31 enacted by the legislative bodies (as identified in IC 36-1-2-9)
 32 of the city of Indianapolis and the town of Rocky Ripple.

33 (d) In the case of an emergency, the authority may consider the
 34 application of a participant regardless of priority rating previously
 35 ascribed to the applicant.

36 Sec. 9. The natural resources commission shall adopt rules
 37 under IC 4-22-2 to administer this chapter, including rules:

38 (1) guiding the determination by the authority under section
 39 7(2) of this chapter of whether a proposed flood control public
 40 works project is needed to protect the health, safety, and
 41 general welfare of the inhabitants of the participant's
 42 jurisdiction; and



1 **(2) establishing standards for the assignment of priority**
2 **ratings to participants under section 8(a) of this chapter;**
3 **that will apply after the period referred to in section 8(b) of this**
4 **chapter.**

