

HOUSE BILL No. 1594

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-1.2-4.5; IC 8-14-14-7.

Synopsis: Indiana finance authority matters. Requires state budget committee review of any proposed extension or amendment to a public-private agreement to which the Indiana finance authority or the state is a party. Prohibits any extension or amendment to such a public-private agreement until after the budget committee has reviewed the proposed extension or amendment. Specifies that any lump sum amounts received under such a public-private agreement must be held in reserve until May 1 of the calendar year following the calendar year in which the lump sum payment was received. Removes the power to make transfers from the major moves construction fund to the state highway fund.

Effective: Upon passage; July 1, 2019.

Huston, Porter, DeLaney, Brown T

January 22, 2019, read first time and referred to Committee on Ways and Means.



First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1594



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

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

1 SECTION 1. IC 5-1.2-4.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]:

4 **Chapter 4.5. Public-Private Agreements**

5 **Sec. 1. (a) This chapter applies to any public-private agreement**
6 **to which the authority or the state, including any state agency or**
7 **instrumentality of the state, is a party regardless of the statutory**
8 **authorization used to enter into the public-private agreement,**
9 **including IC 5-23 (public-private agreements generally), IC 8-15.5**
10 **(toll roads), and IC 8-15.7 (highways, roads, bridges). This chapter**
11 **applies to any original public-private agreement and any extension**
12 **or amendment to a public-private agreement already in effect.**

13 **(b) If a provision of this chapter conflicts with a provision of**
14 **another statute, the provision of this chapter controls with respect**
15 **to the public-private agreement.**

16 **Sec. 2. The authority and the state shall include in any**
17 **public-private agreement and in any extension or amendment to a**



1 public-private agreement a statement that any extension or
 2 amendment to the public-private agreement may not be entered
 3 into by the authority or the state without first complying with
 4 section 3 of this chapter. With respect to any public-private
 5 agreement that is in effect before May 1, 2019, the authority and
 6 the state shall make reasonable efforts to negotiate an amendment
 7 to the public-private agreement to include the statement required
 8 by this section.

9 Sec. 3. The authority or the state shall submit any proposed
 10 extension or amendment to a public-private agreement to the
 11 budget committee established by IC 4-12-1-3 for its review and
 12 comment. The budget committee may request that the authority or
 13 appropriate state agency, or both, appear at a public meeting of the
 14 budget committee concerning the proposed extension or
 15 amendment to the public-private agreement. Neither the authority
 16 nor the state may enter into any extension or amendment to a
 17 public-private agreement until after the budget committee has
 18 reviewed the proposed extension or amendment.

19 Sec. 4. (a) If the authority or the state receives a lump sum
 20 payment as a result of entering into any extension or amendment
 21 to a public-private agreement, any amount of that payment that is
 22 not obligated to cover any obligation incurred or amounts owed by
 23 the authority or the state before the date of the extension or
 24 amendment shall be deposited in a special payment reserve fund to
 25 be administered by the Indiana finance authority.

26 (b) The money in the special payment reserve fund at the end of
 27 any state fiscal year does not revert to any other fund.

28 (c) The authority may invest the money in the special payment
 29 reserve fund in the manner provided by law for investing money in
 30 the next level Indiana trust fund under IC 8-14-15.1.

31 (d) The special payment reserve fund may not be used for any
 32 purpose before May 1 of the year following the year in which the
 33 lump sum payment was received. Thereafter, unless the use of the
 34 fund is otherwise specified by law, the money in the fund shall be
 35 allocated and distributed to the fund into which the payment would
 36 have otherwise been deposited under the law authorizing the
 37 particular public-private agreement.

38 SECTION 2. IC 8-14-14-7, AS AMENDED BY P.L.203-2007,
 39 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2019]: Sec. 7. (a) In addition to any distributions required by
 41 section 6 of this chapter, money in the fund may be used for any of the
 42 following purposes:



- 1 (1) Except as provided in subsection (b), the payment of any
2 obligation incurred or amounts owed by the authority, the
3 department, or an operator under IC 8-15-2, IC 8-15-3, IC 8-15.5,
4 or IC 8-15.7 in connection with the execution and performance of
5 a public-private agreement under IC 8-15.5 or IC 8-15.7,
6 including establishing reserves.
- 7 (2) Lease payments to the authority, if money for those payments
8 is specifically appropriated by the general assembly.
- 9 ~~(3) Distributions to the treasurer of state for deposit in the state
10 highway fund, for the funding of any project in the department's
11 transportation plan.~~
- 12 (b) Money in the fund may not be used for the payment of an
13 obligation incurred or amounts owed by the authority, the department,
14 or an operator under IC 8-15.7 in connection with a public-private
15 agreement under IC 8-15.7 concerning a passenger or freight railroad
16 system as described in IC 8-15.7-2-14(a)(4).
- 17 **SECTION 3. An emergency is declared for this act.**

