

SENATE BILL No. 549

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-13-7; IC 36-7-14.

Synopsis: School financial matters. Requires the superintendent of a school corporation to submit a written report to the local board of finance for the school corporation. Provides that the report must assess the financial condition of the school corporation using certain fiscal and qualitative indicators. Provides that the report must be received and reviewed at the annual meeting of the local board of finance for the school corporation. Reorganizes the law governing the appointments to municipal redevelopment commissions, five member county redevelopment commissions, and seven member county redevelopment commissions into three separate statutes. Eliminates nonvoting advisory positions for school board members on the redevelopment commissions. Requires one member appointed to the redevelopment commissions by the municipal or county executive to represent the school boards located within the territories served by the redevelopment commissions. Provides that the new requirements apply to appointments for terms of office beginning after December 31, 2019.

Effective: July 1, 2019.

Spartz

January 14, 2019, read first time and referred to Committee on Tax and Fiscal Policy.



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.

SENATE BILL No. 549

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

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

1 SECTION 1. IC 5-13-7-6 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) Each local board of finance
3 shall meet annually after the first Monday and on or before the last day
4 of January. At the annual meeting the board of finance shall do the
5 following:
6 (1) Elect from the board's membership:
7 (A) a president; and
8 (B) a secretary.
9 The officers elected hold office until the officers' successors are
10 elected and qualified.
11 (2) Receive and review the report required by section 7 of this
12 chapter.
13 **(3) In the case of a board of finance of a school corporation,**
14 **receive and review the report submitted under section 8 of**
15 **this chapter.**
16 (b) A majority of the members of each board of finance constitutes
17 a quorum for the transaction of business. Each board of finance shall



1 hold additional sessions whenever necessary to discharge its duties and
 2 to accomplish the purposes of this chapter. The president of each board
 3 shall convene the board whenever requested to do so by one (1) of the
 4 members, or whenever necessary to the performance of the duties
 5 imposed by this chapter.

6 (c) All meetings of the boards of finance must be open to the public,
 7 and the records of the boards shall be subject to public inspection in
 8 accordance with IC 5-14-3 and IC 5-15-2, respectively. The secretary
 9 of each board shall keep a record of the proceedings, which shall be
 10 approved and signed by the president of the board and attested by the
 11 secretary.

12 (d) A local board of finance shall be known by the name "The Board
 13 of Finance of _____", inserting the name of the proper political
 14 subdivision, and may sue and be sued in the board's name in any action
 15 and in any court of competent jurisdiction.

16 SECTION 2. IC 5-13-7-8 IS ADDED TO THE INDIANA CODE
 17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 18 1, 2019]: **Sec. 8. (a) During the annual meeting required by section
 19 6 of this chapter, the superintendent of a school corporation shall
 20 submit a written report to the local board of finance for the school
 21 corporation. The report must assess the financial condition of the
 22 school corporation using the fiscal and qualitative indicators
 23 determined under IC 20-19-7-4 by the fiscal and qualitative
 24 indicators committee.**

25 **(b) The local board of finance shall review the report made
 26 under subsection (a).**

27 **(c) The superintendent of a school corporation may delegate the
 28 duty to submit a report under subsection (a) to an employee or
 29 representative of the school corporation.**

30 SECTION 3. IC 36-7-14-6.1, AS AMENDED BY P.L.55-2016,
 31 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2019]: **Sec. 6.1. (a) This section applies only to a municipal
 33 redevelopment commission.**

34 **(b) The five (5) commissioners for a municipal redevelopment
 35 commission shall be appointed as follows:**

36 (1) Three (3) shall be appointed by the municipal executive.

37 (2) Two (2) shall be appointed by the municipal legislative body.

38 ~~The municipal executive shall also appoint an individual to serve as a
 39 nonvoting adviser to the redevelopment commission beginning July 1,
 40 2008.~~

41 ~~(b) The commissioners for a county redevelopment commission that
 42 has five (5) members shall be appointed as follows:~~



1 (1) The county executive shall appoint all the members whose
 2 terms of office begin before January 1, 2008.

3 (2) For terms of office beginning after December 31, 2007, the
 4 county executive shall appoint three (3) members; and the county
 5 fiscal body shall appoint two (2) members.

6 The county executive shall also appoint an individual to serve as a
 7 nonvoting adviser to the redevelopment commission beginning July 1,
 8 2008.

9 (c) The commissioners for a county redevelopment commission that
 10 has seven (7) members shall be appointed as follows:

11 (1) The county executive shall appoint all the members whose
 12 terms of office begin before January 1, 2008.

13 (2) For terms of office beginning after December 31, 2007, the
 14 county executive shall appoint four (4) members; and the county
 15 fiscal body shall appoint three (3) members.

16 The county executive shall also appoint an individual to serve as a
 17 nonvoting adviser to the redevelopment commission beginning July 1,
 18 2008.

19 (d) A nonvoting adviser appointed under this section:

20 (1) must also be a member of the school board of a school
 21 corporation that includes all or part of the territory served by the
 22 redevelopment commission or an individual recommended by the
 23 school board to the entity that appoints the nonvoting adviser;

24 (2) is not considered a member of the redevelopment commission
 25 for purposes of this chapter but is entitled to attend and
 26 participate in the proceedings of all meetings of the
 27 redevelopment commission;

28 (3) is not entitled to a salary, per diem, or reimbursement of
 29 expenses;

30 (4) serves for a term of two (2) years and until a successor is
 31 appointed; and

32 (5) serves at the pleasure of the entity that appointed the
 33 nonvoting adviser.

34 (c) For terms of office beginning after December 31, 2019, the
 35 municipal executive shall ensure that one (1) of the three (3)
 36 members appointed by the executive is:

37 (1) a member of the governing body of the school corporation
 38 located within the territory served by the redevelopment
 39 commission; or

40 (2) an individual recommended by the governing body of the
 41 school corporation to the municipal executive.

42 If there are multiple school corporations located within the



1 territory served by the redevelopment commission, the municipal
 2 executive shall appoint a member of the governing body of the
 3 school corporation that has the largest average daily membership
 4 or an individual recommended by the governing body of that
 5 school corporation to the municipal executive.

6 SECTION 4. IC 36-7-14-6.2 IS ADDED TO THE INDIANA CODE
 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 8 1, 2019]: **Sec. 6.2. (a) This section applies only to a county
 9 redevelopment commission that has five (5) members.**

10 **(b) The commissioners for a county redevelopment commission
 11 that has five (5) members are appointed as follows:**

12 **(1) The county executive shall appoint three (3) members.**

13 **(2) The county fiscal body shall appoint two (2) members.**

14 **(c) For terms of office beginning after December 31, 2019, the
 15 county executive shall ensure that one (1) of the three (3) members
 16 appointed by the executive is:**

17 **(1) a member of the governing body of the school corporation
 18 located within the territory served by the redevelopment
 19 commission; or**

20 **(2) an individual recommended by the governing body of the
 21 school corporation to the county executive.**

22 **If there are multiple school corporations located within the
 23 territory served by the redevelopment commission, the county
 24 executive shall appoint a member of the governing body of the
 25 school corporation that has the largest average daily membership
 26 or an individual recommended by the governing body of that
 27 school corporation to the county executive.**

28 SECTION 5. IC 36-7-14-6.3 IS ADDED TO THE INDIANA CODE
 29 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 30 1, 2019]: **Sec. 6.3. (a) This section applies only to a county
 31 redevelopment commission that has seven (7) members.**

32 **(b) The commissioners for a county redevelopment commission
 33 that has seven (7) members are appointed as follows:**

34 **(1) The county executive shall appoint four (4) members.**

35 **(2) The county fiscal body shall appoint three (3) members.**

36 **(c) For terms of office beginning after December 31, 2019, the
 37 county executive shall ensure that one (1) of the four (4) members
 38 appointed by the executive is:**

39 **(1) a member of the governing body of the school corporation
 40 located within the territory served by the redevelopment
 41 commission; or**

42 **(2) an individual recommended by the governing body of the**



1 school corporation to the county executive.
 2 **If there are multiple school corporations located within the**
 3 **territory served by the redevelopment commission, the county**
 4 **executive shall appoint a member of the governing body of the**
 5 **school corporation that has the largest average daily membership**
 6 **or an individual recommended by the governing body of that**
 7 **school corporation to the county executive.**

8 SECTION 6. IC 36-7-14-6.4 IS ADDED TO THE INDIANA CODE
 9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 10 1, 2019]: **Sec. 6.4. (a) This section applies to a nonvoting adviser**
 11 **appointed to a redevelopment commission under section 6.1 of this**
 12 **chapter (as in effect on January 1, 2019).**

13 **(b) An individual appointed before July 1, 2019, to serve as a**
 14 **nonvoting adviser to a redevelopment commission may continue to**
 15 **serve as a nonvoting adviser until a voting member representing a**
 16 **school corporation is appointed under section 6.1, 6.2, or 6.3 of this**
 17 **chapter for a term of office beginning after December 31, 2019.**

18 **(c) If the position of nonvoting adviser to a redevelopment**
 19 **commission is vacated before a voting member representing a**
 20 **school corporation is appointed under section 6.1, 6.2, or 6.3 of this**
 21 **chapter for a term of office beginning after December 31, 2019, the**
 22 **appointing authority may appoint a nonvoting adviser to the**
 23 **vacant position in the manner provided by section 6.1 of this**
 24 **chapter (as in effect on January 1, 2019).**

25 SECTION 7. IC 36-7-14-10, AS AMENDED BY P.L.146-2008,
 26 SECTION 724, IS AMENDED TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2019]: **Sec. 10. (a) A redevelopment**
 28 **commissioner or a nonvoting adviser appointed under section 6.1 of**
 29 **this chapter (as in effect on January 1, 2019) may not have a**
 30 **pecuniary interest in any contract, employment, purchase, or sale made**
 31 **under this chapter. However, any property required for redevelopment**
 32 **purposes in which a commissioner or nonvoting adviser has a**
 33 **pecuniary interest may be acquired, but only by gift or condemnation.**

34 **(b) A transaction made in violation of this section is void.**

