



Indiana Association of  
Cities and Towns

# LEGISLATIVE SUMMARY

INDIANA ASSOCIATION OF CITIES AND TOWNS LEGISLATIVE E-NEWSLETTER



APRIL 5, 2013

The *Legislative Summary* is a weekly e-newsletter intended to provide you with a sampling of important bills being debated at the Statehouse. For additional information about the legislative session, continue monitoring [IACT's Legislative webpage](#), or contact us directly at (317) 237-6200.



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## IN Action This Week: Top Things to Know

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2. HB 1011 Mass Transit Bill Is Amended Into Study Committee While Also Restricting Intergovernmental Transportation Agreements
3. Senate Republicans Unveil Their Budget With Less Road Funding Than House Budget
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5. SB 494 Amended On House Floor To Expand Redevelopment Commissioners By Two Voting Members Whom Are Appointed By School Corporations
6. SB 365 Improves The Utility Line Relocation Process During Construction Projects – Bill Sent To Governor Pence For Approval

**For questions or information on legislation, please contact our Legislative Team or any [IACT Staff Member](#).**



Rhonda Cook, IACT Government Affairs Director & Legislative Counsel  
Cell: 317-694-1451 / [rcook@citiesandtowns.org](mailto:rcook@citiesandtowns.org)



Justin Swanson, IACT Government Affairs Specialist  
Cell: 260-615-1528 / [jswanson@citiesandtowns.org](mailto:jswanson@citiesandtowns.org)



Jodie Woods, IACT General Counsel  
Office: 317-237-6200 ext. 222 / [jwoods@citiesandtowns.org](mailto:jwoods@citiesandtowns.org)

Mike Smith, IACT Government Affairs Coordinator, Office: 317-237-6200 / [msmith@citiesandtowns.org](mailto:msmith@citiesandtowns.org)

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## **IN Local Roads & Streets Initiative: Increased Funding a Top Priority!**

### **Senate Committee Passes Budget with Structural Deficit [HB 1001](#) – Biennial Budget (Rep. Brown, R-Crawfordsville; Sen. Kenley, R-Noblesville)**

The Senate Committee on Appropriations amended HB 1001 on April 4, 2013 and with a vote of 9-4 sent their version of the budget for full debate on the Senate floor.

Governor Pence, the House and the Senate all have slightly different ideas on Indiana's budget for the next two years. Currently, there is disagreement on tax cuts and road funding. For tax cuts, Governor Pence has been pushing a 10% reduction in the state adjusted gross income tax. The House version did not include the income tax reduction but did push the repeal date of the inheritance tax cut up to January 1, 2018 from January 1, 2022. It also continues the reductions in corporate incomes tax and cuts to the financial institutions tax. While the Senate version does not include the full 10% reduction in income tax, it does provide for a 3% reduction. It also provides for the repeal of the inheritance tax on January 1, 2013 and reduces the corporate income tax and cut in financial institutions tax.

For road funding, Governor Pence's budget called for a one-time increase of \$347 M divided over a three-year period. The House budget provided for a \$ 498.1 M increase to the Motor Vehicle Highway Account. The Senate version has strings attached to its \$337.4 M increase in road funding. It provides that distributions from the Motor Vehicle Highway Account to a county and cities and towns in the county are frozen at FY 2013 levels unless the county has adopted a county motor vehicle excise surtax and wheel

tax at a rate that is at least 50% of the maximum rate. **This ordinance must be adopted before July 1, 2013.** This provision gives counties, cities and town more incentive to adopt the surtax and wheel tax at the maximum levy because it is a graduated allocation; if your community adopts 50% levy than your community will receive 50% of the new funding. It also contains SB 389, which permits a county income tax council to impose a motor vehicle excise surtax and a wheel tax for a county and specifies that the body that initially imposes taxes is the body that is empowered to increase, decrease, or rescind the taxes. Lastly, the Senate version of the budget creates the Major Moves Trust Fund and puts \$400 M over the next to years into the fund, which is to be used exclusively for major highway expansion projects allocated by the General Assembly.

According to Chairman Brown, the Senate version of HB 1001 runs a structural deficit because the state will spend over 99% of collected revenue. Chairman Brown also stressed the importance of adequate reserve funds in order to respond to unpredictable economic downturns.

IACT Position: Researching

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### **New Flexible Road Funding Program**

**[HB 1067](#) – Federal Fund Exchange Program (Rep. Cherry, R-Greenfield; Sen. Becker, R-Evansville)**

HB 1067 establishes the federal fund exchange program to allow a county, city or town that receives funds from the Federal Surface Transportation Program to exchange the federal funds at a rate of not less than \$0.75 of state funds for each \$1 of federal funds for capital projects. The Department of Transportation is charged with administrating the program and the municipality is still required to provide matching funds of 10% of the project cost.

This bill is headed for conference committee where IACT will work to improve the flexibility of the program.

IACT Position: Support

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### **IACT Successfully Amends Bill to Include Local Road Impact Fee**

**[HB 1324](#) – Motor Fuels (Rep. Frye, R-Greensburg; Sen. Eckerty, R-Yorktown)**

This bill was heard in the Senate Committee on Tax and Fiscal Policy on April 2, 2013 where it was amended and sent to the Senate floor with a vote of 12-0.

HB1324 provides for the imposition of the motor carrier fuel tax and surtax by imposing the existing rates on the diesel or gasoline gallon equivalents of the various forms of natural gas sold. The funds generated from this tax and surtax will be distributed to the Motor Vehicle Highway Fund among others. Local units may receive up to \$1.3 M in FY 2014 and \$1 M in FY 2015 in additional transportation revenues from the bill through the MVH and Highway Road and Street Fund.

As reported last week, IACT was working on inserting language to provide for a Local Road Impact fee and our efforts proved successful. This language places a fee on electric vehicles that would be collected during the registration process with the BMV. It is estimated that this fee will generate approximately \$1 M in FY 2014 and \$1.5 M in FY 2015, with generated revenues being deposited into the Local Road and Street Account.

IACT Position: Support

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## IN Bills of Concern

### Further Attacks on Local Public Safety and Home Rule Authority

#### **[HB 1313](#) – Regulation of Residential Leases (Rep. Speedy, R-Indianapolis; Sen. Holdman, R-Markle)**

On April 3, 2013, the Senate Committee on Local Government amended HB 1313 and sent it to the Senate floor with a vote of 5-3. Local elected officials, their staff and fire chiefs traveled from around Indiana to attend the committee hearing to demonstrate their opposition to this bill, which has such a negative impact on home rule power, local public safety and local economic development.

HB 1313 prohibits a political subdivision from adopting a regulation after February 28, 2013 and before July 1, 2014 relating to landlord and tenant relations, rental agreements, or real property subject to a rental agreement that: (1) requires an owner or landlord to be licensed or to obtain a permit from the political subdivision to lease a rental unit; (2) requires an owner or landlord to enroll or participate in a class or government program as a condition for leasing a rental unit; or (3) imposes or increases a fee or other assessment for inspection of a rental unit, registration of an owner, landlord, or rental unit, or for any other purpose relating to landlord and tenant relations, rental agreements, or real property subject to a rental agreement.

The first amendment clarified that a political subdivision is not prohibited from: (1) imposing or increasing a fee relating to the construction of a rental unit, such as a building permit fee; or (2) establishing a rental unit inspection program. However, further clarifying language is needed and will be drafted for a second reading amendment.

The second amendment aims to take away a political subdivision's ability to adopt an ordinance after February 28, 2013, and before July 1, 2015, that would require a builder or remodeler to be licensed, certified, permitted, registered, or listed by the political subdivision as a condition to the builder or remodeler constructing or remodeling a residential dwelling. Please contact IACT if your community has any ordinances like these or are planning to implement them.

This bill impacts every community in Indiana. Even if your community already has a rental inspection program in place or you do not have current plans for such a program, this bill is a direct infringement on home rule authority. It is important to remember [this bill as introduced](#) attempted to prohibit a political subdivision from ***adopting or enforcing*** a rental housing inspection program. We need every community's help. We must continue to educate the General Assembly on the devastating impact this bill has on home rule power, local public safety and local economic development. Please [contact your state Senator](#) and ask that they oppose HB 1313 on the Senate floor.

IACT Position: Oppose

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### Kenley Redevelopment Bill Has Not Been Heard in Committee Thus Far

#### **[SB 325](#) Redevelopment Commissions and Authorities (Kenley, R-Noblesville; Cherry, R-Greenfield)**

For the past couple of years, Senator Kenley has filed a bill dealing with redevelopment commission powers. It has been stopped in the House each time. So far, SB 325 has not received a hearing in the House Government and Regulatory Reform Committee. While IACT's Legislative Committee officially voted to oppose the bill, we had worked on compromise language at Senator Kenley's request. We are waiting to see if the bill will get a hearing on Tuesday of next week or whether it will come back in a conference committee report. For now, we are on stand-by.

IACT Position: Opposed, but Willing to Compromise

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**Bill Dealing with Wholesale Sewer Contract Disputes Passes Committee -- Amendment Will Likely Be Proposed Relating to Elkhart Compact Fees**

**[SB 385](#) – Regional Sewer Districts (Charbonneau, R-Valparaiso; Wolkins, R-Winona Lake)**

SB 385 allows a purchaser of wholesale sewage service to petition the IURC for the settlement of a dispute (currently, going to court is the only option). It also provides that certain fees shall be deposited into the public utility fund instead of being deposited with the state treasury. Further, it provides that a contract for the construction of a municipal sewage works may not require certain landowners to waive the right to remonstrate against annexation by the municipality. The bill was voted out of the House Environmental Affairs Committee this week. There will likely be an amendment proposed to the bill on second reading by Rep. Tim Wesco that curtails in-lieu of annexation fees. The amendment is aimed at a specific situation in Elkhart, but would affect all municipalities that charge outside users an additional fee for water or sewer. IACT opposes the amendment.

IACT Position: Opposed to more IURC expansion

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**Extraterritorial Water/Sewer Rates Bill Passes Out of Committee with Amendments – One Puts Road Blocks on Private Utility Buy-Backs**

**[HB 1307](#) Extraterritorial Utility Rates and Charges (Braun, R-Zionsville; Merritt, R-Indianapolis)**

Last year, HEA 1126 passed into law which allowed users of a municipal water utility who live outside of the municipal boundaries to petition the Indiana Utility Regulatory Commission for a review of their rates in charges when their rates and charges are 15% or greater than what inside customers pay. The opportunity to petition occurs at the time when the municipality is proposing a rate increase. Under HB 1307, however, there is a six month window starting in July for the outside users of water *and sewer* to petition the IURC for a review of rates and charges when the rates and charges 50% or more than what inside customers pay. The opportunity to petition is regardless of whether there is a rate increase proposal by the municipality. In the Senate Utilities Committee, an amendment was added which would allow extraterritorial customers to compare their rates to “anywhere” in the municipality. This amendment is aimed at a specific situation in Whitestown where the in-town users pay differing rates based on whether the user is in the northern district or southern district.

Another amendment was added to the bill which is a positive step. It requires the petitioner to first petition at the municipal level before it can petition the IURC. At the local level, it must be verified that the outside users do indeed have extraterritorial rates that are 50% or above.

A third amendment was added to the bill aimed at Mooresville. Mooresville is attempting to buy-back its water utility from Indiana American Water. The amendment proposed by Indiana American Water would make the buy-back much more difficult. It requires a finding by the IURC that Indiana American is out of compliance before a buy-back could occur.

HB 1307 is currently on the second reading calendar in the Senate.

IACT Position: Opposed

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**Extraterritorial Water/Sewer Rates – Concerning Portion of the Bill is Improved**

**[HB 1137](#) IURC Review of Extraterritorial Water Rates (Frizzell, R-Indianapolis; Merritt, R-Indianapolis)**

Last year, HEA 1126 passed into law which allowed users of a municipal water utility who live outside of the municipal boundaries to petition the Indiana Utility Regulatory Commission for a review of their rates in charges when their rates and charges are 15% or greater than what inside customers pay. The IURC assured us last year that 120 days was sufficient time for them to review the rates and charges. Under HB 1137, however, the IURC is afforded 60 extra days to make the review if there is “good cause.”

IACT has been opposed to this provision unless the 60 days are granted under the condition that all parties to the proceeding agree. Delays could force the municipality to have to rebid a project, push the project into the next construction season and cost the ratepayers more money.

HB 1137 was amended in the Senate Utilities Committee with language that provides that all parties must agree to the extension of time, however, another small tweak will need to be made on second reading.

IACT Position: Ok with the bill as long as 60 day extension in time requires all parties to the proceeding to agree.

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**Changes Sought for Door-to-door Solicitation Provision Involving Cable Companies**  
**[SB 235](#) Video Service Providers (Holdman, R-Markle; Koch, R-Bedford)**

An amendment was adopted in the House Utilities Committee to SB 235 without the opportunity for IACT to testify. The amendment was sought by the Indiana Cable Association and it states that cable companies that do door-to-door direct sales marketing are exempt from any local peddler ordinance. Rather, the cable companies would be regulated by the IURC. IACT is opposed to this provision. The bill has passed the House by a 75-17 vote. Senator Holdman and Representative Koch have agreed to work further on the bill in conference committee.

IACT Position: Oppose the Peddler Ordinance Pre-emption Language

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**Bill Changes Property Tax Assessment Rules Which Result in \$17 Million Loss State Wide**  
**[HB 1544](#) Various Tax Matters (Turner, R-Cicero; Hershman, R-Buck Creek)**

SB 1544 passed out of the Senate Tax and Fiscal Policy Committee this week. There is one provision in the bill which changes the assessment rules on rental housing. Common areas for these properties are currently capped at 3% while the other portions of the property are capped at 2%. This bill makes a change so that the common areas are capped at 2% as well. This would include swimming pools, club houses, parking lots, etc. The change results in a \$17 million loss in property tax revenue statewide.

IACT Position: Oppose assessment change

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**Amendment Added to Bill Would Require Redevelopment Commissions to Have Two New Voting Members Appointed by School Corporations**  
**[SB 494](#) State and Local Taxation (Hershman, R-Buck Creek; Brown, R-Crawfordsville)**

An amendment was added to SB 494 on Thursday by Rep. Ed Clere. The amendment would require two new voting members on redevelopment commissions that are appointed by school corporations starting December 31, 2013. IACT opposes this measure.

IACT Position: Oppose RDC appointment change

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**Reorganization Bill Passes the House 94-1**  
**[SB 343](#) Local Government Reorganization (Head, R-Logansport; Richardson, R-Noblesville)**

SB 343 is a lengthy bill that makes several changes to the government modernization statute. One portion of the bill that is concerning to IACT deals with the vote tallies for a proposed reorganization. For instance, the bill requires separate voting blocks for a city – county merger where the citizens in the unincorporated area vote separately from those in the incorporated area. IACT testified that this should be left up to local decision. The bill passed the House this week 94-1.

IACT Position: Oppose Vote Tally Provision

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### **Committee Hearing Scheduled for Next Week**

#### **[SB 528](#) – Gaming (Sen. Boots, R-Crawfordsville; Rep. Davis, R-Portland)**

This bill is scheduled for a second committee hearing in the House Committee on Ways and Means on April 8, 2013. IACT anticipates amendments to the current bill and will continue to closely watch it for any developments.

SB 528 provides for (1) no tax on \$2 M free play (per casino); (2) admissions tax to become 3.45% supplemental wagering tax; (3) gaming investment tax credit to be capped at \$40 M (tax credit equals 10% of the qualified capital project); and (4) the requirement that locals receiving funds from a casino to post the agreement on the transparency portal. Most importantly, the guaranteed \$33 M spread amongst municipalities is still included in the bill. This agreement dates back to 2002.

IACT Position: Support

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### **Is the Debt Service Fund Effectively Killed?**

#### **[SB 517](#) – Local Government Finance (Sen. Peter Miller, R-Brownsburg; Rep. Huston, R-Fishers)**

This bill was heard on April 4, 2013 by the House Committee on Ways and Means where it was amended and is headed to the full House for debate with a vote of 18-0.

SB 517 provides that the maximum amount permitted for an operating balance in the debt service fund is the sum of: (1) 50% of the budget estimate for the debt service on debt incurred before January 1, 2009; plus (2) 25% of the amount budgeted for the ensuing year for debt service on debt incurred after December 31, 2008.

IACT appreciates the negative effect this provision has the operation of local governments and is actively working to improve this bill.

IACT Position: Oppose

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## **IN Legislative Initiatives**

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### **Abandoned Property Bill Heard in the House**

#### **[SB 433](#) Abandoned Property (Paul, R-Richmond; Hamm, R-Richmond)**

As it came from the Senate, SB 433 establishes a procedure to permit a county executive to dispose of certain properties that did not sell at the tax sale to a person able to repair and maintain the properties. It also provides that before the county executive may transfer properties that did not sell at a tax sale to a nonprofit corporation, an abutting property owner, or a person satisfactorily able to repair and maintain the property, a person with a substantial interest in the property must be given an opportunity to redeem the property. It also requires certain notices concerning demolition and removal under the unsafe building law be served on each person with a known or recorded substantial property interest and authorizes a municipality or county to bring an action to collect unpaid expenses relating to the abatement of high weeds and grass. (Under current law, the municipality or county may obtain only a lien on the property containing the high weeds and grass.)

Rep. John Price of Greenwood assisted IACT in getting an amendment adopted to the bill in the House Local Government Committee which would facilitate communication between cities and towns and counties regarding abandoned/vacant properties eligible for tax sale. The amendment would also allow a city or town to access the courts in order to deem a property as abandoned. The bill has passed second reading in the House and now awaits third reading.

IACT Position: Support

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## **LOIT Distribution**

### **[SB 544](#) State and Local Tax Administration (Hershman, R-Buck Creek; Brown, R-Crawfordsville)**

One of IACT's legislative initiatives is to insure that locals are getting their full distribution of local option income taxes. Due to the processes at the Indiana Department of Revenue, locals are only receiving distributions based on tax returns filed. The state is keeping the local portion from those taxpayers who don't file returns. We are told that in order to rectify the problem, the Department must buy a costly computer system. IACT is urging the state to rectify this problem by taking any necessary steps.

This week, the House Ways and Means Committee added an amendment to the bill which asks the Legislative Council to assign the topic of "imposition, administration and distribution" of local income taxes to an interim study committee.

IACT Position: Support greater accountability of LOIT revenues

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## **IACT Initiative Has Passed Both Houses**

### **[HB 1070](#) – Local Food and Beverage Tax (Rep. Baird, R-Greencastle; Sen. Bray, R-Martinsville)**

This bill authorizes the Cloverdale town council to adopt a 1% Food and Beverage Tax on taxable food and beverage transactions in the town that could go into effect as early as September 1, 2013. All funds collected must go into a separate account and may only be spent on the financing, construction, operation, maintenance, and debt service of sanitary sewers or wastewater treatment facilities, drainage or flood control facilities and water treatment, storage, or distribution facilities. HB 1070 also authorizes the town of Fishers to adopt a 1% Food and Beverage Tax and requires the revenue to be spent to reduce the town's property tax levy or on economic development. HB 1070 has been sent back to the House with amendments and is eligible for conference committee.

IACT Position: Support

## **IACT Initiative Headed to the Governor's Office**

### **[SB 365](#) – Utility Facility Relocation**

On April 2, 2013 the Senate voted on SB 365 and passed it on to the final stage of the legislative process with a concurring vote of 49-0.

SB 365 authorizes a unit of local government to enter into an agreement with a utility concerning the relocation of the utility's facilities for a major highway, street, or road project undertaken by the local unit. The agreement must include a date for relocation and conditions under which the utility is excused from meeting the date, including a force majeure clause. Since this bill was amended in the second house, it will go to conference committee.

IACT Position: Support

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## **IACT Initiative Has Passed Both Houses**

### **[SB 496](#) – Regulation of Ephedrine and Pseudoephedrine (Sen. Yoder, R-Middlebury; Rep. McMillin, R-Brookville)**

This bill prohibits a pharmacy /retailer from selling and an individual from purchasing more than 61.2 grams of ephedrine or pseudoephedrine in a 365-day period. It also prohibits a person convicted of certain offenses involving methamphetamine from possessing ephedrine, pseudoephedrine, or phenylpropanolamine within seven years of the person's conviction, unless dispensed under a prescription.

SB 496 has passed both houses and is awaiting further forward motion in the legislative process.

IACT Position: Support

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## IN Other Bills

### **Bill Passes the House Which Gives All Municipalities Access to Insurance Proceeds for Structures Damaged by Fire or Explosion**

#### **[SB 169](#) Insurance Proceeds Set Aside**

SB 169 applies the law concerning insurance proceeds escrow deposits to all cities and towns, phased in over three years. (Current law applies only to first and second class cities.) It provides for insurer notice to a municipality of an insurance claim filed for structure damage caused by fire or explosion and provides for municipality notice to an insurer of estimated or actual costs to the municipality for demolition or rehabilitation of the structure under the unsafe building law. SB 169 requires a deposit of a certain amount of available insurance proceeds to an escrow account. Repeals: (1) a definition made obsolete by the bill; and (2) current notice requirements that apply to Gary and Hammond.

An amendment was added to the bill in the House Insurance Committee which requires municipalities that want to participate in the program to register with the state fire marshal and pay a \$100 fee to the state! It also sets limitations for the availability of the funds. The bill passed the House by a 97-0 vote. Senator Randy Head, the bill's author, has filed a motion of dissent regarding the House changes. The bill will go to conference committee.

IACT Position: Support the Concept, Oppose Limitations and Fee

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### **Annexation Waiver Bill Passes Out of Committee**

#### **[SB 285](#) Waiver of the Right to Remonstrate Against Annexation (Buck, R-Kokomo; Karickhoff, R-Kokomo)**

SB 285 passed second reading this week. The bill requires that information be clear in the chain of title to a property that an annexation waiver exists. IACT supported the bill as it will provide greater transparency to property owners that an annexation waiver agreement is in place and applies to the property.

An amendment was added to the bill on second reading by Rep. Jeff Thompson which deals with consensual annexation of agricultural property. IACT does not oppose the amendment, but we think it needs further clarification which we will attempt to accomplish.

IACT Position: Support

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### **Bill Debated in House Committee - Allows Excess Utility Funds to be Used for Economic Development**

#### **[SB 349](#) Utilities; Economic Development (Head, R-Logansport; Friend, R-Macy)**

While SB 349 passed out of the House Local Government Committee, it was reassigned to Ways and Means, where it has not yet been granted a hearing. The bill gives a local unit of government the authority to donate funds from the municipally owned utility's surplus earnings to a local economic development organization, as long as certain obligations of the municipally owned utility are met before the donation is made. It also allows investor-owned public utility to add an improvement charge for sewer service if the IURC grants approval.

IACT Position: Support the Concept.

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**Clerk-Treasurers' Bill Passes Out of Senate Local Government Committee**

**[HB 1145](#) Various Local Government Matters (Candelaria-Reardon, D-Hammond; Paul, R-Richmond)**

SB 1145 contains several provisions that were requested by the municipal Clerk-Treasurers and it passed out of the Senate Local Government Committee this week. The bill allows a political subdivision to charge a reasonable fee for convenience, not to exceed \$3, when accepting a credit card or bank card for payments. It provides that unused and unencumbered funds from any fiscal year and certain specified sources may be transferred to a political subdivision's rainy day fund at any time. It also provides that unobligated cash balances from any fiscal year and sources not specified by statute may be transferred to the rainy day fund if the amount of the transfer is specified in an ordinance or resolution and the transfer is not more than 10% of the political subdivision's annual budget. It also allows towns to publish any of its ordinances in book or pamphlet and no other publication is required in order for the ordinance to take effect (cities can already do this.) In addition, an amendment was added to the bill in committee which allows more time for a redevelopment commission to file its annual report with the DLGF – until March 15 of each year (current law requires the report to be filed within 30 days after the close of the calendar year.)

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**Bill Clarifies that TIF Money Can be Used For Commercial Property Rehabilitation**

**[SB 346](#) Redevelopment Commissions (Head, R-Logansport; Friend, R-Macy)**

SB 346 provides that a redevelopment commission may, subject to prior approval by the unit's fiscal body, provide financial assistance to the owner of commercial property within a redevelopment project area or economic development area designated by the redevelopment commission, to assist the owner in constructing, rehabilitating, or repairing the commercial property. The bill passed out of the House Commerce Committee and has been reassigned to Ways and Means where it has not been granted a hearing.

IACT Position: Supported the Concept

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**Land Bank Study Committee Bill Passes Committee**

**[HB 1317](#) Land Banks (Clere, R-New Albany; Holdman, R-Markle)**

HB 1317 calls for an interim study on this issue of land banks. The bill was amended in the Senate Local Government Committee to include a study of the tax sale process and abandoned homes.

IACT Position: Support

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**HB 1116 Passed Second Reading in the Senate**

**[HB 1116](#) Property Taxes (Leonard, R-Huntington; Head, R-Logansport)**

HB 1116 contains various changes concerning the administration of property taxes and emergency fire loans. It also contains a provision that addresses the criteria for a controlled project and states that only the portion of the project that is to be financed counts toward the controlled project thresholds. The bill also contains reporting requirements for redevelopment commissions.

IACT Position: Neutral

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**Language Inserted into Senate Budget**

**[SB 389](#) – County Excise Surtax and Wheel Tax (Sen. Boots, R-Crawfordsville; Rep. Lehe, R-Brookston)**

As IACT predicted in past publications, the language of this bill was inserted into the Senate version of HB 1001.

SB 389 permits a county income tax council to impose a motor vehicle excise surtax and a wheel tax for a county. Under current law, the county council has the sole authority to impose these taxes. It also specifies that the body that initially imposes the excise surtax and wheel tax is the body that is empowered to increase, decrease, or rescind the excise surtax and wheel tax.

IACT Position: Support

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**Mass Transit Travels to Summer Study Committee with an Amendment Tying the Hands of Municipalities**

**[HB 1011](#) – Public Mass Transportation (Rep. Torr, R-Carmel; Sen. Miller, R-Avon)**

The Senate Committee on Tax and Fiscal Policy amended HB 1011 on April 2, 2013 and it is now headed to the Senate floor with a vote of 12-0.

The amendment completely gutted the bill and also tied the hands of municipalities. First, the amendment sent the idea of a establishing a mass transit system in Indiana to summer study committee. Even worse, the amendment provided that a political subdivision may not enter into an interlocal cooperation agreement with another political subdivision to establish a joint district or entity to provide public transportation services. It ties the knot even tighter with by prohibiting a county or municipality from establishing a new regional transportation authority or becoming a member of an existing regional transportation authority.

IACT Position: Researching

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**City and Town Courts to Collect Late Fees for Certain Violations**

**[HB 1124](#) – City and Town Court Late Payment Fees (Rep. Mahan, R-Hartford City; Sen. Holdman, R-Merkle)**

Provides that a defendant who is found to have committed a violation constituting a Class D infraction or Class C infraction for unlawfully parking in a space reserved for a person with a physical disability shall pay a late payment fee of \$25 if the defendant: (1) is required to pay a fine or civil judgment; (2) is not determined by the court imposing the fine or civil judgment to be indigent; and (3) fails to pay the fine or civil judgment on time.

IACT Position: Support

**[SB 621](#) – Local Government Issues (Sen. R. Michael Young, R-Milltown; Rep. Speedy, R-Indianapolis)**

On April 4, 2013, the full House debated this bill at length with a total of forty-six (46) amendments filed but only two (2) being adopted. SB 621 makes numerous changes to the organization and structure of a consolidated city's government. However, the provision eliminating the 4 at-large council members in a consolidated city was removed in committee.

IACT Position: Neutral

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