

SENATE MOTION

MR. PRESIDENT:

I move that Senate Bill 338 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 36-9-36-9.5 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2001]: **Sec. 9.5. (a) With respect to**
6 **assessments imposed after June 30, 2001, the works board shall**
7 **establish a procedure to permit owners of real property in the unit**
8 **to elect whether to pay assessments in:**
9 **(1) ten (10), twenty (20), or thirty (30) annual installments; or**
10 **(2) a number of monthly installments that corresponds to ten**
11 **(10), twenty (20), or thirty (30) annual installments.**
12 **(b) The works board shall establish the timing of the election**
13 **under subsection (a) to permit the works board to structure the**
14 **maturities of the principal of the bonds in a number of annual**
15 **series that is consistent with the installment periods elected by**
16 **owners of real property under subsection (a).**
17 **(c) A person who elects to pay the person's assessment in**
18 **installments under this section must, when directed by the works**
19 **board, enter into a written agreement stating that in consideration**
20 **of that privilege the person:**
21 **(1) will not make an objection to an illegality or irregularity**
22 **regarding the assessment against the person's property; and**
23 **(2) will pay the assessment as required by law with specified**
24 **interest.**
25 **(d) The agreement under subsection (c) shall be filed in the**
26 **office of the disbursing officer.**
27 **(e) The interest rate specified for the installments of the**
28 **assessment may be equal to or greater than the interest rate on**
29 **bonds issued under section 44 of this chapter.**
30 **(f) An assessment of less than one hundred dollars (\$100) may**
31 **not be paid in installments."**

- 1 Page 1, line 6, strike "the following:" and insert "**when the**
2 **assessment is due, or when the assessment installments are due.**".
- 3 Page 1, strike lines 7 through 11.
- 4 Page 1, delete lines 12 through 17.
- 5 Page 2, delete lines 1 through 4.
- 6 Page 2, line 5, delete "(d)" and insert ~~(e)~~.
- 7 Page 2, line 5, strike "A person who desires to pay the person's
8 assessment in".
- 9 Page 2, line 6, strike "installments".
- 10 Page 2, line 6, delete "as described in subsection (c)".
- 11 Page 2, line 6, strike "must before the due".
- 12 Page 2, strike lines 7 through 12.
- 13 Page 2, line 13, delete "(e)".
- 14 Page 2, line 13, strike "The agreement under subsection".
- 15 Page 2, line 13, after "(c)" delete "(d)".
- 16 Page 2, line 13, strike "shall be filed in the".
- 17 Page 2, strike line 14.
- 18 Page 2, line 15, delete "(f)".
- 19 Page 2, line 15, strike "The interest rate specified for the
20 installments of the".
- 21 Page 2, strike lines 16 through 17.
- 22 Page 2, line 18, delete "(g)".
- 23 Page 2, line 18, strike "An assessment of less than one hundred
24 dollars (\$100) may".
- 25 Page 2, strike line 19, begin a new paragraph and insert:
26 "SECTION 3. IC 36-9-36-46 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 46. (a) The works
28 board may provide in the preliminary resolution that the bonds issued
29 in anticipation of the collection of the assessments shall be issued so as
30 to mature not less than ~~fifteen (15)~~ **ten (10)** years and not more than
31 thirty (30) years from the date of issuance.
- 32 (b) The interest on the bonds shall be payable semiannually from the
33 date of issue. The works board shall fix the rate of interest on the bonds
34 issued.
- 35 (c) Bonds issued in the manner described in subsection (a) shall
36 mature serially, so that some bonds mature each year until the final
37 maturity date of the issue is reached. The terms of the bonds may allow
38 early redemption of the bonds in the event of and to the extent of
39 prepayment of the assessments in anticipation of which the bonds were
40 issued.
- 41 (d) The works board must issue the bonds to mature as provided
42 under subsection (c) if a petition requesting the bonds to mature in that
43 manner is filed by a majority of the resident property owners affected
44 by the improvement not later than sixteen (16) days after the resolution
45 is first published.
- 46 SECTION 4. IC 36-9-37-8.5 IS ADDED TO THE INDIANA CODE
47 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

1, 2001]: **Sec. 8.5. (a) With respect to assessments imposed after June 30, 2001, the municipal works board shall establish a procedure to permit owners of real property in the unit to elect whether to pay assessments in:**

- (1) ten (10), twenty (20), or thirty (30) annual installments; or**
- (2) a number of monthly installments that corresponds to ten (10), twenty (20), or thirty (30) annual installments.**

(b) The municipal works board shall establish the timing of the election under subsection (a) to permit the municipal works board to structure the maturities of the principal of the bonds in a number of annual series that is consistent with the installment periods elected by owners of real property under subsection (a).

(c) A person who elects to pay the person's assessment in installments under this section must, when directed by the municipal works board, enter into a written agreement stating that in consideration of that privilege the person:

- (1) will not make an objection to an illegality or irregularity regarding the assessment against the person's property; and**
- (2) will pay the assessment as required by law with specified interest.**

(d) The agreement under subsection (c) shall be filed in the office of the disbursing officer.

(e) The interest rate specified for the installments of the assessment may be equal to or greater than the interest rate on bonds issued under section 28 of this chapter.

(f) An assessment of less than one hundred dollars (\$100) may not be paid in installments.

(g) If the property owner is not an individual, the election under subsection (a) must be made in the following manner:

(1) For a partnership, at least one (1) of the partners must sign the waiver and other instruments required for the election.

(2) For a corporation, the president or vice president must do all of the following:

(A) Sign the waiver and other instruments required for the election.

(B) File a certified copy of the resolution of the board of directors or trustees authorizing the president or vice president to execute those instruments on behalf of the corporation.

(3) For a church, a lodge, a charitable institution, or other organization, the person or persons acting on behalf of the organization must sign the waiver and other instruments required for the election, but only after being instructed to do so by a resolution adopted at a meeting of the organization called for that purpose."

Page 2, line 27, delete "subsection (b):" and insert "section 8.5(a) of this chapter:".

- 1 Page 2, line 34, strike "(b)".
- 2 Page 2, line 34, delete "A property owner may elect to pay the
3 owner's assessment".
- 4 Page 2, delete lines 35 through 41.
- 5 Page 2, line 42, delete "(c)".
- 6 Page 2, line 42, strike "The interest rate specified for installments
7 may be equal to".
- 8 Page 3, strike lines 1 through 2.
- 9 Page 3, line 3, delete "(d)".
- 10 Page 3, line 3, strike "An assessment of less than one hundred
11 dollars (\$100) may".
- 12 Page 3, strike line 4.
- 13 Page 3, line 5, delete "(e)".
- 14 Page 3, line 5, strike "If the property owner is not an individual, the
15 election under".
- 16 Page 3, strike lines 6 through 21.
- 17 Page 4, line 21, delete "fifteen (15)" and insert "**ten (10)**".
- 18 Page 5, after line 3, begin a new paragraph and insert:
19 "SECTION 8. IC 36-9-38-23.5 IS ADDED TO THE INDIANA
20 CODE AS A NEW SECTION TO READ AS FOLLOWS
21 [EFFECTIVE JULY 1, 2001]: **Sec. 23.5. (a) With respect to
22 assessments imposed after June 30, 2001, the works board shall
23 establish a procedure to permit owners of real property in the
24 improvement district to elect whether to pay assessments in:**
25 **(1) one (1), five (5), ten (10), fifteen (15), or twenty (20) annual
26 installments; or**
27 **(2) a number of monthly installments that corresponds to one
28 (1), five (5), ten (10), fifteen (15), or twenty (20) installments.**
29 **(b) The works board shall establish the timing of the election
30 under subsection (a) to permit the works board to structure the
31 maturities of the principal of the bonds in a number of annual
32 series that is consistent with the installment periods elected by
33 owners of real property under subsection (a).**
- 34 SECTION 9. IC 36-9-38-29 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 29. (a) At the time the
36 municipal works board determines the amount of the assessments, the
37 municipal works board shall also determine the following:
38 (1) The manner in which the municipality shall pay the
39 municipality's assessment, if any.
40 (2) ~~Whether~~ **The number of monthly or annual installments**
41 **over which the other assessments may will be paid. in one (1);**
42 **five (5); ten (10); fifteen (15); or twenty (20) equal annual**
43 **installments.**
44 (3) The maximum rate of interest on the installments, which may
45 be equal to or greater than the interest rate on bonds issued under
46 section 30 of this chapter.
47 (b) The works board shall certify the determination under subsection

1 (a) to the municipal fiscal officer. This certification must accompany
2 the assessment roll.

3 SECTION 10. IC 36-9-38-30 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 30. (a) For the purposes
5 of anticipating the collection of assessments under this chapter, the
6 municipality shall issue bonds payable out of the assessments.
7 However, a consolidated city is not required to issue bonds under this
8 section.

9 (b) ~~The principal of the bonds matures in series. The series shall~~
10 ~~correspond to the number of installments of principal on the~~
11 ~~assessments as fixed by the municipal works board.~~ The terms of the
12 bonds may allow early retirement of the bonds for and to the extent of
13 prepayment of assessments in anticipation of which the bonds were
14 issued.

15 (c) The bonds bear interest at a rate or rates determined by the
16 legislative body of the municipality and shall be executed, sold, and
17 delivered in denominations determined to be appropriate by the
18 municipal fiscal officer as bonds of a municipality are executed, sold,
19 and delivered.

20 (d) If the bonds are sold at a public sale, the advertisement of the
21 sale of the bonds shall be published in accordance with IC 5-3-1. The
22 municipality may also sell the bonds by negotiated private sale to a
23 financial institution.

24 (e) Unless the municipality chooses to sell the bonds by a negotiated
25 private sale to a financial institution, the sale shall be made to the
26 highest and best bidder, as provided in IC 36-9-36. However, the sale
27 may not be for less than the face value of the bonds, plus interest from
28 the date of the bonds to the date of delivery.

29 (f) The bonds and interest on the bonds are exempt from taxation to
30 the extent provided by IC 6-8-5-1.

31 (g) The bonds are not a corporate obligation or an indebtedness of
32 the municipality and are payable only out of money actually paid and
33 collected under this chapter (or under IC 36-9-20 before its repeal in
34 1993). The bonds must state this fact on the bonds' face."

35 Renumber all SECTIONS consecutively.

(Reference is to SB 338 as reprinted February 9, 2001.)

Senator GARD