



January 31, 2002

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## HOUSE BILL No. 1088

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DIGEST OF HB 1088 (Updated January 29, 2002 6:55 PM - DI 96)

**Citations Affected:** IC 8-22.

**Synopsis:** Promotion of aviation related commerce. Allows the board of an airport authority to enter into agreements and joint contracts with other boards to promote and encourage aviation related trade or commerce.

**Effective:** July 1, 2002.

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### Smith M

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January 8, 2002, read first time and referred to Committee on Rules and Legislative Procedures.  
January 15, 2002, reassigned to Committee on Roads and Transportation.  
January 30, 2002, reported — Do Pass.

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HB 1088—LS 6292/DI 47+



January 31, 2002

Second Regular Session 112th General Assembly (2002)

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 2001 General Assembly.

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## HOUSE BILL No. 1088

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

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

- 1 SECTION 1. IC 8-22-3-11, AS AMENDED BY P.L.98-2001,  
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2002]: Sec. 11. The board may do all acts necessary or  
4 reasonably incident to carrying out the purposes of this chapter,  
5 including the following:  
6 (1) As a municipal corporation, to sue and be sued in its own  
7 name.  
8 (2) To have all the powers and duties conferred by statute upon  
9 boards of aviation commissioners. The board supersedes all  
10 boards of aviation commissioners within the district. The board  
11 has exclusive jurisdiction within the district.  
12 (3) To protect all property owned or managed by the board.  
13 (4) To adopt an annual budget and levy taxes in accordance with  
14 this chapter.  
15 (A) The board may not levy taxes on property in excess of the  
16 following rate schedule, except as provided in sections 17 and  
17 25 of this chapter:

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|    |   |                    |
|----|---|--------------------|
| 1  | Total Assessed  | Rate Per \$100 Of  |
| 2  | Property Valuation  | Assessed Valuation |
| 3  | \$300 million or less   | \$0.10             |
| 4  | More than \$300 million   |                    |
| 5  | but not more than \$450 million                                       | \$0.0833           |
| 6  | More than \$450 million   |                    |
| 7  | but not more than \$600 million                                       | \$0.0667           |
| 8  | More than \$600 million   |                    |
| 9  | but not more than \$900 million                                       | \$0.05             |
| 10 | More than \$900 million   | \$0.0333           |
| 11 | (B) Clause (A) does not apply to an authority that was                |                    |
| 12 | established under IC 19-6-2 or IC 19-6-3 (before their repeal         |                    |
| 13 | on April 1, 1980).  |                    |
| 14 | (C) The board of an authority that was established under              |                    |
| 15 | IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes         |                    |
| 16 | on property not in excess of six and sixty-seven hundredths           |                    |
| 17 | cents (\$0.0667) on each one hundred dollars (\$100) of               |                    |
| 18 | assessed valuation.   |                    |
| 19 | (5) To incur indebtedness in the name of the authority in             |                    |
| 20 | accordance with this chapter.   |                    |
| 21 | (6) To adopt administrative procedures, rules, and regulations.       |                    |
| 22 | (7) To acquire property, real, personal, or mixed, by deed,           |                    |
| 23 | purchase, lease, condemnation, or otherwise and dispose of it for     |                    |
| 24 | use or in connection with or for administrative purposes of the       |                    |
| 25 | airport; to receive gifts, donations, bequests, and public trusts and |                    |
| 26 | to agree to conditions and terms accompanying them and to bind        |                    |
| 27 | the authority to carry them out; to receive and administer federal    |                    |
| 28 | or state aid; and to erect buildings or structures that may be        |                    |
| 29 | needed to administer and carry out this chapter.                      |                    |
| 30 | (8) To determine matters of policy regarding internal organization    |                    |
| 31 | and operating procedures not specifically provided for otherwise.     |                    |
| 32 | (9) To adopt a schedule of reasonable charges and to collect them     |                    |
| 33 | from all users of facilities and services within the district.        |                    |
| 34 | (10) To purchase supplies, materials, and equipment to carry out      |                    |
| 35 | the duties and functions of the board in accordance with              |                    |
| 36 | procedures adopted by the board.                                      |                    |
| 37 | (11) To employ personnel that are necessary to carry out the          |                    |
| 38 | duties, functions, and powers of the board.                           |                    |
| 39 | (12) To establish an employee pension plan. The board may, upon       |                    |
| 40 | due investigation, authorize and begin a fair and reasonable          |                    |
| 41 | pension or retirement plan and program for personnel, the cost to     |                    |
| 42 | be borne by either the authority or by the employee or by both, as    |                    |

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- 1 the board determines. If the authority was established under  
 2 IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must  
 3 be borne by the authority, and ordinances creating the plan or  
 4 making changes in it must be approved by the mayor of the city.  
 5 The plan may be administered and funded by a trust fund or by  
 6 insurance purchased from an insurance company licensed to do  
 7 business in Indiana or by a combination of them. The board may  
 8 also include in the plan provisions for life insurance, disability  
 9 insurance, or both.
- 10 (13) To sell surplus real or personal property in accordance with  
 11 law. If the board negotiates an agreement to sell trees situated in  
 12 woods or forest areas owned by the board, the trees are considered  
 13 to be personal property of the board for severance or sale.
- 14 (14) To adopt and use a seal.
- 15 (15) To acquire, establish, construct, improve, equip, maintain,  
 16 control, lease, and regulate municipal airports, landing fields, and  
 17 other air navigation facilities, either inside or outside the district;  
 18 to acquire by lease (with or without the option to purchase)  
 19 airports, landing fields, or navigation facilities, and any structures,  
 20 equipment, or related improvements; and to erect, install,  
 21 construct, and maintain at the airport or airports facilities for the  
 22 servicing of aircraft and for the comfort and accommodation of air  
 23 travelers and the public. The Indiana department of transportation  
 24 must grant its approval before land may be purchased for the  
 25 establishment of an airport or landing field and before an airport  
 26 or landing field may be established.
- 27 (16) To fix and determine exclusively the uses to which the  
 28 airport lands may be put. All uses must be necessary or desirable  
 29 to the airport or the aviation industry and must be compatible with  
 30 the uses of the surrounding lands as far as practicable.
- 31 (17) To elect a secretary from its membership, or to employ a  
 32 secretary, an airport director, superintendents, managers, a  
 33 treasurer, engineers, surveyors, attorneys, clerks, guards,  
 34 mechanics, laborers, and all employees the board considers  
 35 expedient, and to prescribe and assign their respective duties and  
 36 authorities and to fix and regulate the compensation to be paid to  
 37 the persons employed by it in accordance with the authority's  
 38 appropriations. All employees shall be selected irrespective of  
 39 their political affiliations.
- 40 (18) To make all rules and regulations, consistent with laws  
 41 regarding air commerce, for the management and control of its  
 42 airports, landing fields, air navigation facilities, and other

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- 1 property under its control.
- 2 (19) To acquire by lease the use of an airport or landing field for  
3 aircraft pending the acquisition and improvement of an airport or  
4 landing field.
- 5 (20) To manage and operate airports, landing fields, and other air  
6 navigation facilities acquired or maintained by an authority; to  
7 lease all or part of an airport, landing field, or any buildings or  
8 other structures, and to fix, charge, and collect rentals, tolls, fees,  
9 and charges to be paid for the use of the whole or a part of the  
10 airports, landing fields, or other air navigation facilities by aircraft  
11 landing there and for the servicing of the aircraft; to construct  
12 public recreational facilities that will not interfere with air  
13 operational facilities; to fix, charge, and collect fees for public  
14 admissions and privileges; and to make contracts for the operation  
15 and management of the airports, landing fields, and other air  
16 navigation facilities; and to provide for the use, management, and  
17 operation of the air navigation facilities through lessees, its own  
18 employees, or otherwise. Contracts or leases for the maintenance,  
19 operation, or use of the airport or any part of it may be made for  
20 a term not exceeding fifteen (15) years and may be extended for  
21 similar terms of years, except that any parcels of the land of the  
22 airport may be leased for any use connected with the operation  
23 and convenience of the airport for an initial term not exceeding  
24 forty (40) years and may be extended for a period not to exceed  
25 ten (10) years. If a person whose character, experience, and  
26 financial responsibility has been determined satisfactory by the  
27 board offers to erect a permanent structure that facilitates and is  
28 consistent with the operation, use, and purpose of the airport on  
29 land belonging to the airport, a lease may be entered into for a  
30 period not to exceed ninety-nine (99) years. However, the board  
31 must pass an ordinance to enter into such a lease. The board may  
32 not grant an exclusive right for the use of a landing area under its  
33 jurisdiction. However, this does not prevent the making of leases  
34 in accordance with other provisions of this chapter. All contracts  
35 and leases are subject to restrictions and conditions that the board  
36 prescribes. The authority may lease its property and facilities for  
37 any commercial or industrial use it considers necessary and  
38 proper, including the use of providing airport motel facilities.
- 39 (21) To sell machinery, equipment, or material that is not required  
40 for aviation purposes. The proceeds shall be deposited with the  
41 treasurer of the authority.
- 42 (22) To negotiate and execute contracts for sale or purchase,

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1 lease, personal services, materials, supplies, equipment, or any  
2 other transaction or business relative to an airport under the  
3 board's control and operation. However, whenever the board  
4 determines to sell part or all of aviation lands, buildings, or  
5 improvements owned by the authority, the sale must be in  
6 accordance with law.

7 (23) To vacate all or parts of roads, highways, streets, or alleys,  
8 whether inside or outside the district, in the manner provided by  
9 statute.

10 (24) To annex lands to itself if the lands are owned by the  
11 authority or are streets, roads, or other public ways.

12 (25) To approve any state, county, city, or other highway, road,  
13 street or other public way, railroad, power line, or other  
14 right-of-way to be laid out or opened across an airport or in such  
15 proximity as to affect the safe operation of the airport.

16 (26) To construct drainage and sanitary sewers with connections  
17 and outlets as are necessary for the proper drainage and  
18 maintenance of an airport or landing field acquired or maintained  
19 under this chapter, including the necessary buildings and  
20 improvements and for the public use of them in the same manner  
21 that the authority may construct sewers and drains. However, with  
22 respect to the construction of drains and sanitary sewers beyond  
23 the boundaries of the airport or landing field, the board shall  
24 proceed in the same manner as private owners of property and  
25 may institute proceedings and negotiate with the departments,  
26 bodies, and officers of an eligible entity to secure the proper  
27 orders and approvals; and to order a public utility or public  
28 service corporation or other person to remove or to install in  
29 underground conduits wires, cables, and power lines passing  
30 through or over the airport or landing field or along the borders or  
31 within a reasonable distance that may be determined to be  
32 necessary for the safety of operations, upon payment to the utility  
33 or other person of due compensation for the expense of the  
34 removal or reinstallation. The board must consent before any  
35 franchise may be granted by state or local authorities for the  
36 construction of or maintenance of railway, telephone, telegraph,  
37 electric power, pipe, or conduit line upon, over, or through land  
38 under the control of the board or within a reasonable distance of  
39 land that is necessary for the safety of operation. The board must  
40 also consent before overhead electric power lines carrying a  
41 voltage of more than four thousand four hundred (4,400) volts and  
42 having poles, standards, or supports over thirty (30) feet in height

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1 within one-half (1/2) mile of a landing area acquired or  
2 maintained under this chapter may be installed.  
3 (27) To contract with any other state agency or instrumentality or  
4 any political subdivision for the rendition of services, the rental  
5 or use of equipment or facilities, or the joint purchase and use of  
6 equipment or facilities that are necessary for the operation,  
7 maintenance, or construction of an airport operated under this  
8 chapter.  
9 (28) To provide air transportation in furtherance of the duties and  
10 responsibilities of the board.  
11 (29) To promote or encourage aviation related trade or commerce  
12 at the airports that it operates. **The board may enter into**  
13 **agreements and joint contracts with other boards to promote**  
14 **and encourage aviation related trade and commerce.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1088, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

COOK, Chair

Committee Vote: yeas 11, nays 0.

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