
HOUSE BILL No. 1130

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-1-14-15.

Synopsis: Approval of bond issues by nonelected boards. Requires a lease with an original term of at least five years or the bonded indebtedness of a civil taxing unit that does not have a majority of elected members to be approved by the city, town, or county fiscal body.

Effective: July 1, 2002.

Alderman

January 8, 2002, read first time and referred to Committee on Rules and Legislative Procedures.

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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. 1130



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

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

- 1 SECTION 1. IC 5-1-14-15 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2002]: **Sec. 15. (a) This section applies only to a civil taxing unit**
- 4 **(as defined in IC 6-3.5-1.1-1) that:**
- 5 **(1) has a governing body that is not comprised of a majority**
- 6 **of officials who are elected to serve on the governing body of**
- 7 **the civil taxing unit; and**
- 8 **(2) is not a special taxing district located in a consolidated city**
- 9 **subject to IC 36-3-5-8.**
- 10 **(b) Notwithstanding any other law, a civil taxing unit must**
- 11 **request and obtain approval to incur bonded indebtedness on**
- 12 **bonds (as defined in IC 36-1-2-2) or enter into a lease with an**
- 13 **original term of at least five (5) years from the appropriate fiscal**
- 14 **body described under subsection (c) or (d) before:**
- 15 **(1) incurring the bonded indebtedness or executing the lease;**
- 16 **and**
- 17 **(2) requesting that the department of local government**



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finance approve the bonded indebtedness or lease.

(c) If:

(1) the assessed valuation of a civil taxing unit is entirely contained within a city or town; or

(2) the assessed valuation of a civil taxing unit is not entirely contained within a city or town, but the civil taxing unit was originally established by the city or town;

the governing body of the civil taxing unit must obtain approval to incur the bonded indebtedness or execute a lease described in subsection (b) from the fiscal body of the city or town.

(d) If subsection (c) does not apply, the governing body of the civil taxing unit must obtain approval to incur the bonded indebtedness or to execute a lease described in subsection (b) from the county fiscal body in the county where the civil taxing unit has the most assessed valuation.

SECTION 2. [EFFECTIVE JULY 1, 2002] IC 5-1-14-15, as added by this act, applies only to bonded indebtedness, including the refinancing of a bonded indebtedness, and leases for which an initial public notice of the proposed bond issue or lease is published after December 31, 2002.

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