

Adopted	Rejected
---------	----------

## COMMITTEE REPORT

YES:	19
NO:	7

### MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1282, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be **amended** as follows:*

- 1 Page 1, delete lines 8 through 9, begin a new paragraph and insert:
- 2 "Sec. 2. As used in this chapter, "authority" refers to a
- 3 regional transportation authority under IC 36-9-3-2.
- 4 Sec. 3. As used in this chapter, "beverage" includes any
- 5 alcoholic beverage.
- 6 Sec. 4. As used in this chapter, "commuter transportation
- 7 district" refers to a commuter transportation district established
- 8 under IC 8-5-15.
- 9 Sec. 5. As used in this chapter, "food" includes any food
- 10 product.
- 11 Sec. 6. As used in this chapter, "fund" refers to a food and
- 12 beverage tax receipts fund established under section 16 of this
- 13 chapter.
- 14 Sec. 7. As used in this chapter, "gross retail income" has the
- 15 meaning set forth in IC 6-2.5-1-5.

1           **Sec. 8. As used in this chapter, "person" has the meaning set**  
2 **forth in IC 6-2.5-1-3.**

3           **Sec. 9. As used in this chapter, "retail merchant" has the same**  
4 **meaning set forth in IC 6-2.5-1-8.**

5           **Sec. 10. As used in this chapter, "unit" refers to a city, town,**  
6 **or county."**

7           Page 1, line 10, delete "3" and insert "11".

8           Page 1, line 13, delete "4" and insert "12".

9           Page 2, line 4, delete "4" and insert "12".

10          Page 2, line 5, delete "3" and insert "11".

11          Page 2, line 32, delete "5" and insert "13".

12          Page 2, line 32, delete "4" and insert "12".

13          Page 2, line 38, delete "6" and insert "14".

14          Page 3, line 3, delete "7" and insert "15".

15          Page 3, line 7, delete "8" and insert "16".

16          Page 3, line 7, delete "3" and insert "11".

17          Page 3, line 8, delete "regional transportation".

18          Page 3, line 10, delete "food and beverage tax".

19          Page 3, line 11, delete "receipts".

20          Page 3, line 12, delete "food".

21          Page 3, line 13, delete "and beverage tax receipts".

22          Page 3, line 14, delete "food and beverage tax receipts".

23          Page 3, line 14, delete "shall be" and insert "**may be used only for**  
24 **the purposes described in sections 17 and 18 of this chapter."**

25          Page 3, delete lines 15 through 17, begin a new paragraph and insert:

26           **"Sec. 17. (a) Money in the fund may be used only for the**  
27 **purpose of establishing and maintaining new or improved public**  
28 **transportation service in the county imposing the tax that exceeds**  
29 **the level of public transportation service available in the county**  
30 **in 2004.**

31           **(b) Subject to subsection (a), the expenditures for which money**  
32 **in the fund may be used include the following:**

33               **(1) Grants to units in the county imposing the tax to provide**  
34 **new or improved public transportation service.**

35               **(2) The costs of preparing plans, specifications, studies,**

1 surveys, and estimates of cost and of revenue for public  
2 transportation services.

3 (3) Any expense necessary or incident to planning, providing,  
4 or determining the need for or the feasibility and  
5 practicability of providing public transportation services.

6 (4) The cost of purchasing, leasing, subleasing, or otherwise  
7 acquiring, erecting, constructing, remodeling, renovating,  
8 completing, equipping, and furnishing any property.

9 (5) The cost of engaging architectural services, engineering  
10 services, legal services, incidental expenses, financing costs,  
11 underwriter's discounts, funded or capitalized interest,  
12 municipal bond insurance premiums, or debt service reserve  
13 funds related to the issuance of debt obligations.

14 (6) The payment of debt service.

15 (7) Operation and management of property.

16 (8) Other administration expenses of the authority.

17 (c) Money in the fund may not be used to provide tax relief to  
18 any person or to reduce the ad valorem property levies imposed by  
19 any governmental entity. For purposes of computing the ad  
20 valorem property tax levy limit imposed on a unit under  
21 IC 6-1.1-18.5-3, the unit's ad valorem property tax levy for a  
22 particular calendar year does not include any part of a grant  
23 provided to the unit under this chapter.

24 Sec. 18. (a) The authority shall establish a reserve account in  
25 the fund.

26 (b) The authority shall deposit in the reserve account:

27 (1) two million dollars (\$2,000,000) in each of the first two (2)  
28 years in which the authority receives tax revenue under this  
29 chapter; and

30 (2) one million dollars (\$1,000,000) in each year thereafter.

31 (c) Subject to subsection (e), in each of the first two (2) years  
32 in which the authority receives tax revenue under this chapter,  
33 the authority shall transfer one million dollars (\$1,000,000) from  
34 the reserve account in the fund to a commuter transportation  
35 district for the payment of the costs of:

1           **(1) the preparation of plans, specifications, studies, surveys,**  
2           **and estimates of cost and of revenue for; and**

3           **(2) all other expenses necessary or incident to planning,**  
4           **providing, or determining the need for or the feasibility and**  
5           **practicability of;**

6           **a new rail corridor, designated by the authority, in the county**  
7           **imposing the tax. To the maximum extent possible the money**  
8           **must be used to match federal money available to pay for the**  
9           **costs described in this subsection.**

10           **(d) Subject to subsection (c), each year the authority shall**  
11           **transfer one million dollars (\$1,000,000) from the reserve account**  
12           **in the fund to a commuter transportation district for the**  
13           **commuter transportation district to make capital expenditures for**  
14           **new or improved public transportation service that primarily**  
15           **benefits the county imposing the tax. Money transferred under**  
16           **this subsection may not be used to reduce or replace expenditures**  
17           **made in the county by the commuter transportation district from**  
18           **other sources.**

19           **(e) The authority may transfer money during a year in the**  
20           **amounts and at the times determined by the authority. Before the**  
21           **authority transfers money under subsection (c) or (d), the**  
22           **commuter transportation district must submit a written plan or**  
23           **amended plan to the authority for its review. The authority shall**  
24           **prescribe the format for plans and amended plans. The plan or**  
25           **amended plan must specify the nature and the amount of**  
26           **proposed expenditures from the money transferred under this**  
27           **section. Money transferred under this section may not be used for**  
28           **any purpose other than the purposes specified in the plan or**  
29           **amended plan.**

30           **(f) A commuter transportation district may submit a plan or**  
31           **amended plan to the authority not more than once each month.**  
32           **The authority must review a submitted plan or amended plan as**  
33           **soon as practicable after its submission.**

34           **(g) If insufficient money is deposited in the fund to comply with**  
35           **subsection (b), the authority shall make the deposits as soon as**

1       **practicable after sufficient money becomes available to make the**  
2       **required deposits.**

3       **(h) If a commuter transportation district is unable in any year**  
4       **to use the full amount of a transfer authorized under subsection**  
5       **(c) or (d), the unexpended amount remains available for transfer**  
6       **to the commuter transportation district when the commuter**  
7       **transportation district is able to expend the money in conformity**  
8       **with the purposes of the transfer.**

9       **Sec. 19. (a) This section applies to a unit that is located in a**  
10       **county that imposes a tax under this chapter and that in 2004:**

- 11               **(1) imposed an ad valorem property tax levy; or**
- 12               **(2) expended money from an ad valorem property tax levy;**
- 13       **for public transportation purposes.**

14       **(b) In any year in which a tax is imposed under this chapter, a**  
15       **unit may not reduce its ad valorem property tax levy or**  
16       **expenditures for public transportation purposes below the amount**  
17       **necessary to maintain a level of public transportation service**  
18       **equivalent to the level of public transportation service provided in**  
19       **2004, as determined by the authority.**

20       **(c) The unit shall make a good faith effort to obtain all**  
21       **available federal funding to maintain public transportation**  
22       **services at a level at least equivalent to the public transportation**  
23       **services available in 2004.**

24       **(d) The department of local government finance shall modify**  
25       **budgets, tax rates, and tax levies under IC 6-1.1-17-16, as**  
26       **necessary, to implement this subsection."**

      (Reference is to HB 1282 as introduced.)

**and when so amended that said bill do pass.**

---

Representative Crawford