

CONFERENCE COMMITTEE REPORT DIGEST FOR ESB 571

Citations Affected: IC 4-3-21-11; IC 5-28-26; IC 6-2.5-4-5; IC 6-3-2-1.5; IC 6-3.1-11.6-2; IC 6-3.1-11.6-9; IC 36-1-7-15; IC 36-7.

Synopsis: Economic development. Authorizes various economic development entities to enter into written agreements for jointly undertaken economic development projects. Requires the establishment of a military base development authority concerning a military base that is located in more than two counties if the military base planning council votes to require the establishment of the development authority. Permits the economic development corporation to designate a global commerce center pilot program in eastern Indiana. Allows local income taxes to be captured for the purposes of the global commerce center. Authorizes counties to allocate 3% of the growth in property tax revenues attributable to a global commerce center to a regional economic development district. Designates each certified technology park located within a radius of five miles of the Crane military base as a qualified military base enhancement area. Extends the following incentives, which are currently applicable to businesses located on closed military bases, to businesses that are located in a qualified military base enhancement area and meet certain criteria: (1) The sales tax exemption for electricity purchases. (2) The reduced corporate adjusted gross income tax rate. (3) The investment credit. Authorizes the expansion of a certified technology park to adjacent territory that is located in another county. Requires the department of environmental management to give priority to permit applications concerning certain military bases or installations. **(This conference committee report makes the following changes to the global commerce center provisions: (1) reduces the number of potential designations; (2) provides that the economic development corporation may designate a global commerce center as a pilot program instead of requiring a designation; (3) specifies that a designated global commerce center pilot program must be in the area served by the Eastern Indiana Economic Development District; (4) authorizes the capture of county adjusted gross income taxes, county option income taxes, and county economic development income taxes for the purposes of the global commerce center but does not authorize the capture of state adjusted gross income taxes or state gross retail taxes as the April 1 version of SB 571 did; and (5) authorizes the economic development corporation to revoke the designation at its discretion.)**

Effective: Upon passage; July 1, 2005; January 1, 2006.

Adopted

Rejected

CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill No. 571 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 4-3-21-11, AS ADDED BY P.L.5-2005, SECTION
- 3 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
- 4 PASSAGE]: Sec. 11. The council shall do the following:
- 5 (1) Identify the public infrastructure and other community support
- 6 necessary:
- 7 (A) to improve mission efficiencies; and
- 8 (B) for the development and expansion;
- 9 of military bases in Indiana.
- 10 (2) Identify existing and potential impacts of encroachment on
- 11 military bases in Indiana.
- 12 (3) Identify potential state and local government actions that can:
- 13 (A) minimize the impacts of encroachment on; and
- 14 (B) enhance the long term potential of;
- 15 military bases.
- 16 (4) Identify opportunities for collaboration among:
- 17 (A) the state, including the military department of the state;
- 18 (B) political subdivisions;
- 19 (C) military contractors; and
- 20 (D) academic institutions;
- 21 to enhance the economic potential of military bases and the
- 22 economic benefits of military bases to the state.
- 23 (5) Review state policies, including funding and legislation, to

1 identify actions necessary to prepare for the United States
2 Department of Defense Efficient Facilities Initiative scheduled to
3 begin in 2005.

4 (6) Study how governmental entities outside Indiana have
5 addressed issues regarding encroachment and partnership formation
6 described in this section.

7 **(7) With respect to a multicounty federal military base under
8 IC 36-7-30.5:**

9 **(A) vote to require the establishment of the development
10 authority under IC 36-7-30.5, if necessary; and**

11 **(B) advise and submit recommendations to a development
12 authority board appointed under IC 36-7-30.5.**

13 SECTION 2. IC 5-28-26 IS ADDED TO THE INDIANA CODE AS
14 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
15 1, 2005]:

16 **Chapter 26. Global Commerce Center Pilot Program**

17 **Sec. 1. As used in this chapter, "base assessed value" means:**

18 **(1) the net assessed value of all the taxable property located in
19 a global commerce center as finally determined for the
20 assessment date immediately preceding the effective date of the
21 allocation provision of a resolution adopted under section 18 of
22 this chapter; plus**

23 **(2) to the extent it is not included in subdivision (1), the net
24 assessed value of property that is assessed as residential
25 property under the rules of the department of local
26 government finance, as finally determined for any assessment
27 date after the effective date of the allocation provision.**

28 **Sec. 2. As used in this chapter, "district" means the Eastern
29 Indiana Economic Development District.**

30 **Sec. 3. As used in this chapter, "high technology activity" has the
31 meaning set forth in IC 36-7-32-7.**

32 **Sec. 4. As used in this chapter, "hub" means a regional economic
33 development project that is:**

34 **(1) selected by a district for development as a global commerce
35 center; and**

36 **(2) designated as a global commerce center under this chapter.**

37 **Sec. 5. As used in this chapter, "income tax base period amount"
38 means the total amount of the following taxes paid by employees
39 employed in the territory comprising a global commerce center
40 with respect to wages and salary earned for work in the global
41 commerce center for the state fiscal year that precedes the date on
42 which the global commerce center was designated under section 12
43 of this chapter:**

44 **(1) The county adjusted gross income tax.**

45 **(2) The county option income tax.**

46 **(3) The county economic development income tax.**

47 **Sec. 6. As used in this chapter, "income tax incremental amount"
48 means the remainder of:**

49 **(1) the total amount of county adjusted gross income tax,
50 county option income taxes, and county economic development
51 income taxes paid by employees employed in the territory**

1 comprising the global commerce center with respect to wages
 2 and salary earned for work in the territory comprising the
 3 global commerce center for a particular state fiscal year; minus
 4 (2) the income tax base period amount;
 5 as determined by the department of state revenue.

6 Sec. 7. As used in this chapter, "public facilities" includes a
 7 street, a road, a bridge, a storm water or sanitary sewer, a sewage
 8 treatment facility, a facility designed to reduce, eliminate, or
 9 prevent the spread of identified soil or groundwater contamination,
 10 a drainage system, a retention basin, a pretreatment facility, a
 11 waterway, a waterline, a water storage facility, a rail line, an
 12 electric, gas, telephone or other communications line or any other
 13 type of utility line or pipeline, or another similar or related
 14 structure or improvement, together with necessary easements for
 15 the structure or improvement. Except for rail lines, utility lines, or
 16 pipelines, the structures or improvements described in this section
 17 must be either owned or used by a public agency, functionally
 18 connected to similar or supporting facilities owned or used by a
 19 public agency, or designed and dedicated for use by, for the benefit
 20 of, or for the protection of the health, welfare, or safety of the
 21 public generally, whether or not used by a single business entity.
 22 Any road, street, or bridge must be continuously open to public
 23 access. A public facility must be located on public property or in a
 24 public, utility, or transportation easement or right-of-way.

25 Sec. 8. As used in this chapter, "spoke" means an economic
 26 development project that is:

- 27 (1) located within the area served by a district;
- 28 (2) undertaken to support the activities of a hub; and
- 29 (3) treated as a global commerce center under this chapter
 30 upon the approval of the district board and fiscal body of the
 31 county in which the project is located.

32 Sec. 9. As used in this chapter, "tax increment revenues" means
 33 the property taxes attributable to the assessed value of property
 34 located in a global commerce center in excess of the base assessed
 35 value.

36 Sec. 10. As used in this chapter, "unit" means a county, city, or
 37 town.

38 Sec. 11. The corporation may do the following:

- 39 (1) Designate a global commerce center pilot program under
 40 section 12 of this chapter.
- 41 (2) Establish a procedure by which the global commerce center
 42 pilot program may be monitored and evaluated on an annual
 43 basis.
- 44 (3) Promote the global commerce center pilot program.

45 Sec. 12. (a) If a district applies to the corporation to have part of
 46 the area served by the district designated as a global commerce
 47 center, the corporation may approve the district's application if the
 48 corporation determines that the district's proposed global
 49 commerce center meets the following criteria:

- 50 (1) The proposed global commerce center is well suited for the
 51 development of a hub and its supporting spokes.

- 1 **(2) The proposed global commerce center has the support of**
 2 **the surrounding community.**
- 3 **(3) The proposed global commerce center is well suited for the**
 4 **development of at least one (1) of the following:**
- 5 **(A) A high technology activity.**
 6 **(B) Advanced manufacturing.**
 7 **(C) Transportation, distribution, and logistics.**
 8 **(D) Agribusiness.**
- 9 **(b) The corporation may adopt rules under IC 4-22-2 specifying**
 10 **application procedures.**
- 11 **(c) A global commerce center designated under this section must**
 12 **include a hub. The boundaries of the global commerce center are**
 13 **not required to be contiguous. Only one (1) global commerce center**
 14 **pilot program may be designated under this section.**
- 15 **Sec. 13. If a global commerce center is designated under section**
 16 **12 of this chapter, an unlimited number of spokes may be added to**
 17 **the global commerce center at the discretion of the fiscal bodies of**
 18 **the counties served by the district and the district board.**
- 19 **Sec. 14. (a) After a global commerce center is designated under**
 20 **section 12 of this chapter, the district shall send to the department**
 21 **of state revenue:**
- 22 **(1) a certified copy of the designation of the global commerce**
 23 **center under section 12 of this chapter; and**
- 24 **(2) a complete list of the employers in the global commerce**
 25 **center and the street names and the range of street numbers of**
 26 **each street in the global commerce center.**
- 27 **The district shall update the list provided under subdivision (2)**
 28 **before July 1 of each year.**
- 29 **(b) Not later than sixty (60) days after receiving a copy of the**
 30 **designation of the global commerce center, the department of state**
 31 **revenue shall determine the gross retail base period amount and**
 32 **the income tax base period amount.**
- 33 **Sec. 15. Before the first business day in October of each year, the**
 34 **department of state revenue shall calculate the income tax**
 35 **incremental amount and the gross retail incremental amount for**
 36 **the preceding state fiscal year for each global commerce center**
 37 **designated under this chapter.**
- 38 **Sec. 16. (a) The treasurer of state shall establish an incremental**
 39 **tax financing fund for each global commerce center designated**
 40 **under this chapter. The fund shall be administered by the treasurer**
 41 **of state. Money in the fund does not revert to the state general fund**
 42 **at the end of a state fiscal year.**
- 43 **(b) The total amount of the following taxes paid by employees**
 44 **employed in the global commerce center with respect to wages**
 45 **earned for work in the global commerce center shall be deposited**
 46 **in the incremental tax financing fund established for a global**
 47 **commerce center until the amount deposited equals the income tax**
 48 **incremental amount:**
- 49 **(1) The county adjusted gross income tax.**
 50 **(2) The county option income tax.**
 51 **(3) The county economic development income tax.**

1 (c) On or before the twentieth day of each month, all amounts
 2 held in the incremental tax financing fund established for a global
 3 commerce center shall be distributed to the district that
 4 administers the global commerce center for deposit in the regional
 5 economic development fund established under section 19 of this
 6 chapter.

7 Sec. 17. (a) A county fiscal body in which a hub or spoke is
 8 located may allocate three percent (3%) of the tax increment
 9 revenues attributable to the hub or spoke to the district if the
 10 county fiscal body adopts a resolution under subsection (b).

11 (b) The county fiscal body may adopt a resolution designating a
 12 hub or spoke as an allocation area for purposes of the allocation
 13 and distribution of the amount of property taxes described in
 14 subsection (a).

15 (c) After adoption of the resolution under subsection (b), the
 16 county fiscal body shall:

17 (1) publish notice of the adoption and substance of the
 18 resolution in accordance with IC 5-3-1; and

19 (2) file the following information with each taxing unit that has
 20 authority to levy property taxes in the geographic area where
 21 the global commerce center is located:

22 (A) A copy of the notice required by subdivision (1).

23 (B) A statement disclosing the impact of the global commerce
 24 center, including the following:

25 (i) The estimated economic benefits and costs incurred by
 26 the global commerce center, as measured by increased
 27 employment and anticipated growth of real property
 28 assessed values.

29 (ii) The anticipated impact on tax revenues of each taxing
 30 unit.

31 The notice must state the general boundaries of the global
 32 commerce center and must state that written remonstrances may
 33 be filed with the county fiscal body until the time designated for the
 34 hearing. The notice must also name the place, date, and time when
 35 the county fiscal body will receive and hear remonstrances and
 36 objections from persons interested in or affected by the proceedings
 37 pertaining to the proposed allocation area and will determine the
 38 public utility and benefit of the proposed allocation area. The
 39 county fiscal body shall file the information required by subdivision
 40 (2) with the officers of the taxing unit who are authorized to fix
 41 budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten
 42 (10) days before the date of the public hearing. All persons affected
 43 in any manner by the hearing, including all taxpayers within the
 44 county, shall be considered notified of the pendency of the hearing
 45 and of subsequent acts, hearings, adjournments, and orders of the
 46 county fiscal body affecting the allocation area if the county fiscal
 47 body gives the notice required by this section.

48 (d) At the hearing, which may be recessed and reconvened
 49 periodically, the county fiscal body shall hear all persons interested
 50 in the proceedings and shall consider all written remonstrances and
 51 objections that have been filed. After considering the evidence

1 presented, the county fiscal body shall take final action in
 2 determining the public utility and benefit of the proposed allocation
 3 area confirming, modifying and confirming, or rescinding the
 4 resolution. The final action taken by the county fiscal body shall be
 5 recorded and is final and conclusive.

6 **Sec. 18. (a) A unit may issue bonds for the purpose of providing**
 7 **public facilities under this chapter.**

8 (b) The bonds are payable from any funds available to the unit.

9 (c) The bonds shall be authorized by a resolution of the unit.

10 (d) The terms and form of the bonds shall be set out either in the
 11 resolution or in a form of trust indenture approved by the
 12 resolution.

13 (e) The bonds must mature within fifty (50) years.

14 (f) The unit shall sell the bonds at public or private sale upon
 15 terms determined by the district.

16 (g) All money received from any bonds issued under this chapter
 17 shall be applied solely to the payment of the cost of providing
 18 public facilities within a global commerce center, or the cost of
 19 refunding or refinancing outstanding bonds, for which the bonds
 20 are issued. The cost may include the cost of:

21 (1) planning and development of the public facilities and all
 22 related buildings, facilities, structures, and improvements;

23 (2) acquisition of a site and clearing and preparing the site for
 24 construction;

25 (3) equipment, facilities, structures, and improvements that are
 26 necessary or desirable to make the public facilities suitable for
 27 use and operation;

28 (4) architectural, engineering, consultant, and attorney's fees;

29 (5) incidental expenses in connection with the issuance and sale
 30 of bonds;

31 (6) reserves for principal and interest;

32 (7) interest during construction and for a period thereafter
 33 determined by the district, but not to exceed five (5) years;

34 (8) financial advisory fees;

35 (9) insurance during construction;

36 (10) municipal bond insurance, debt service reserve insurance,
 37 letters of credit, or other credit enhancement; and

38 (11) in the case of refunding or refinancing, payment of the
 39 principal of, redemption premiums, if any, for, and interest on,
 40 the bonds being refunded or refinanced.

41 (h) A unit that issues bonds under this section may enter an
 42 interlocal agreement with any other unit located in the area served
 43 by the district in which the global commerce center is designated.
 44 A party to an agreement under this section may pledge any of its
 45 revenues, including taxes or allocated taxes under IC 36-7-14, to
 46 the bonds or lease rental obligations of another party to the
 47 agreement.

48 **Sec. 19. (a) The district shall establish a regional economic**
 49 **development fund.**

50 (b) The fund consists of:

51 (1) revenues received under section 16 of this chapter;

- 1 **(2) property taxes allocated to the district under section 17 of**
 2 **this chapter; and**
 3 **(3) any other funds made available to the district for the**
 4 **purposes of economic development within a global commerce**
 5 **center.**

- 6 **(c) Money in the fund may be used to:**
 7 **(1) provide rent subsidies to businesses locating in the global**
 8 **commerce center; and**
 9 **(2) maintain, improve, and expand economic development**
 10 **projects located in a global commerce center and the**
 11 **surrounding communities.**

12 **Sec. 20. A global commerce center expires fifteen (15) years after**
 13 **it is designated by the corporation.**

14 **Sec. 21. (a) The corporation may revoke the corporation's**
 15 **designation of a global commerce center pilot program at the**
 16 **discretion of the corporation.**

17 **(b) Notwithstanding a revocation made under subsection (a), a**
 18 **debt or an obligation incurred during the period in which the**
 19 **global commerce center pilot program was in effect remains valid**
 20 **and payable.**

21 SECTION 3. IC 6-2.5-4-5 IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) As used in this section,
 23 a "power subsidiary" means a corporation which is owned or controlled
 24 by one (1) or more public utilities that furnish or sell electrical energy,
 25 natural or artificial gas, water, steam, or steam heat and which produces
 26 power exclusively for the use of those public utilities.

27 (b) A power subsidiary or a person engaged as a public utility is a
 28 retail merchant making a retail transaction when the subsidiary or
 29 person furnishes or sells electrical energy, natural or artificial gas,
 30 water, steam, or steam heating service to a person for commercial or
 31 domestic consumption.

32 (c) Notwithstanding subsection (b), a power subsidiary or a person
 33 engaged as a public utility is not a retail merchant making a retail
 34 transaction in any of the following transactions:

35 (1) The power subsidiary or person provides, installs, constructs,
 36 services, or removes tangible personal property which is used in
 37 connection with the furnishing of the services or commodities listed
 38 in subsection (b).

39 (2) The power subsidiary or person sells the services or
 40 commodities listed in subsection (b) to another public utility or
 41 power subsidiary described in this section or a person described in
 42 section 6 of this chapter.

43 (3) The power subsidiary or person sells the services or
 44 commodities listed in subsection (b) to a person for use in
 45 manufacturing, mining, production, refining, oil extraction, mineral
 46 extraction, irrigation, agriculture, or horticulture. However, this
 47 exclusion for sales of the services and commodities only applies if
 48 the services are consumed as an essential and integral part of an
 49 integrated process that produces tangible personal property and
 50 those sales are separately metered for the excepted uses listed in
 51 this subdivision, or if those sales are not separately metered but are

1 predominately used by the purchaser for the excepted uses listed in
2 this subdivision.

3 (4) The power subsidiary or person sells the services or
4 commodities listed in subsection (b) and all the following
5 conditions are satisfied:

6 (A) The services or commodities are sold to a business that after
7 June 30, 2004:

8 (i) relocates all or part of its operations to a facility; or

9 (ii) expands all or part of its operations in a facility;

10 located in a military base (as defined in IC 36-7-30-1(c)), a
11 military base reuse area established under IC 36-7-30, an
12 economic development area established under IC 36-7-14.5-12.5,
13 ~~or~~ a military base recovery site designated under IC 6-3.1-11.5,
14 **or a qualified military base enhancement area established**
15 **under IC 36-7-34.**

16 (B) The business uses the services or commodities in the facility
17 described in clause (A) not later than five (5) years after the
18 operations that are relocated to the facility or expanded in the
19 facility commence.

20 (C) The sales of the services or commodities are separately
21 metered for use by the relocated or expanded operations.

22 **(D) In the case of a business that uses the services or**
23 **commodities in a qualified military base enhancement area,**
24 **the business must satisfy at least one (1) of the following**
25 **criteria:**

26 **(i) The business is a participant in the technology transfer**
27 **program conducted by the qualified military base (as**
28 **defined in IC 36-7-34-3).**

29 **(ii) The business is a United States Department of Defense**
30 **contractor.**

31 **(iii) The business and the qualified military base have a**
32 **mutually beneficial relationship evidenced by a**
33 **memorandum of understanding between the business and**
34 **the United States Department of Defense.**

35 However, this subdivision does not apply to a business that
36 substantially reduces or ceases its operations at another location in
37 Indiana in order to relocate its operations in an area described in
38 this subdivision, unless the department determines that the business
39 had existing operations in the area described in this subdivision and
40 that the operations relocated to the area are an expansion of the
41 business's operations in the area.

42 SECTION 4. IC 6-3-2-1.5 IS AMENDED TO READ AS FOLLOWS
43 [EFFECTIVE JANUARY 1, 2006]: Sec. 1.5. (a) As used in this
44 section, "qualified area" means:

45 (1) a military base (as defined in IC 36-7-30-1(c));

46 (2) a military base reuse area established under IC 36-7-30;

47 (3) an economic development area established under
48 IC 36-7-14.5-12.5; ~~or~~

49 (4) a military base recovery site designated under IC 6-3.1-11.5; **or**

50 **(5) a qualified military base enhancement area established**
51 **under IC 36-7-34.**

1 (b) Except as provided in subsection (c), a tax at the rate of five
 2 percent (5%) of adjusted gross income is imposed on that part of the
 3 adjusted gross income of a corporation that is derived from sources
 4 within a qualified area if the corporation locates all or part of its
 5 operations in a qualified area during the taxable year, as determined
 6 under subsection (e). The tax rate under this section applies to the
 7 taxable year in which the corporation locates its operations in the
 8 qualified area and to the next succeeding four (4) taxable years. **In the**
 9 **case of a corporation that locates all or part of its operations in a**
 10 **qualified military base enhancement area, the tax rate imposed**
 11 **under this section applies to the corporation only if the corporation**
 12 **meets at least one (1) of the following criteria:**

13 (1) **The corporation is a participant in the technology transfer**
 14 **program conducted by the qualified military base (as defined**
 15 **in IC 36-7-34-3).**

16 (2) **The corporation is a United States Department of Defense**
 17 **contractor.**

18 (3) **The corporation and the qualified military base have a**
 19 **mutually beneficial relationship evidenced by a memorandum**
 20 **of understanding between the corporation and the United**
 21 **States Department of Defense.**

22 (c) A taxpayer is not entitled to the tax rate described in subsection
 23 (b) to the extent that the taxpayer substantially reduces or ceases its
 24 operations at another location in Indiana in order to relocate its
 25 operations within the qualified area, unless:

26 (1) the taxpayer had existing operations in the qualified area; and

27 (2) the operations relocated to the qualified area are an expansion
 28 of the taxpayer's operations in the qualified area.

29 (d) A determination under subsection (c) that a taxpayer is not
 30 entitled to the tax rate provided by this section as a result of a
 31 substantial reduction or cessation of operations applies to the taxable
 32 year in which the substantial reduction or cessation occurs and in all
 33 subsequent years. Determinations under this section shall be made by
 34 the department of state revenue.

35 (e) The department of state revenue:

36 (1) shall adopt rules under IC 4-22-2 to establish a procedure for
 37 determining the part of a corporation's adjusted gross income that
 38 was derived from sources within a qualified area; and

39 (2) may adopt other rules that the department considers necessary
 40 for the implementation of this chapter.

41 SECTION 5. IC 6-3.1-11.6-2 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. As used in this
 43 chapter, "qualified area" means:

44 (1) a military base (as defined in IC 36-7-30-1(c));

45 (2) a military base reuse area established under IC 36-7-30;

46 (3) an economic development area established under
 47 IC 36-7-14.5-12.5; ~~or~~

48 (4) a military base recovery site designated under IC 6-3.1-11.5; **or**

49 **(5) a qualified military base enhancement area established**
 50 **under IC 36-7-34.**

51 SECTION 6. IC 6-3.1-11.6-9 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9. (a) **Subject to**
 2 **subsection (c)**, a taxpayer is entitled to a credit against the taxpayer's
 3 state tax liability for a taxable year if the taxpayer makes a qualified
 4 investment in that taxable year.

5 (b) The amount of the credit to which a taxpayer is entitled is the
 6 percentage determined under section 12 of this chapter multiplied by
 7 the amount of the qualified investment made by the taxpayer during the
 8 taxable year.

9 (c) **This subsection applies to a taxpayer making a qualified**
 10 **investment in a business located in a qualified military base**
 11 **enhancement area. To qualify for a credit under this chapter, the**
 12 **taxpayer's qualified investment must be in a business that satisfies**
 13 **at least one (1) of the following criteria:**

14 (1) **The business is a participant in the technology transfer**
 15 **program conducted by the qualified military base (as defined**
 16 **in IC 36-7-34-3).**

17 (2) **The business is a United States Department of Defense**
 18 **contractor.**

19 (3) **The business and the qualified military base have a**
 20 **mutually beneficial relationship evidenced by a memorandum**
 21 **of understanding between the business and the United States**
 22 **Department of Defense.**

23 SECTION 7. IC 36-1-7-15 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. ~~(a)~~ This section
 25 applies only to political subdivisions in the following:

26 ~~(1)~~ A city having a population of more than ninety thousand
 27 (90,000) but less than one hundred five thousand (105,000):

28 ~~(2)~~ A county having a population of more than one hundred five
 29 thousand (105,000) but less than one hundred ten thousand
 30 (110,000):

31 ~~(3)~~ A county having a population of more than three hundred
 32 thousand (300,000) but less than four hundred thousand (400,000):

33 ~~(b)~~ (a) As used in this section, "economic development entity" means
 34 a department of redevelopment organized under IC 36-7-14, a
 35 **department of metropolitan development under IC 36-7-15.1**, a port
 36 authority organized under IC 8-10-5, or an airport authority organized
 37 under IC 8-22-3.

38 ~~(c)~~ (b) Notwithstanding section 2 of this chapter, two (2) or more
 39 economic development entities may enter into a written agreement
 40 under section 3 of this chapter if the agreement is requested by the
 41 executive of a city or county described in subsection (a) and if the
 42 agreement is approved by each entity's governing body. ~~and by the~~
 43 ~~executive of a city or county described in subsection (a):~~

44 ~~(d)~~ (c) A party to an agreement under this section may do one (1) or
 45 more of the following:

46 (1) Except as provided in subsection ~~(c)~~, (d), grant one (1) or more
 47 of its powers to another party to the agreement.

48 (2) Exercise any power granted to it by a party to the agreement.

49 (3) Pledge any of its revenues, including taxes or allocated taxes
 50 under IC 36-7-14, **IC 36-7-15.1**, or IC 8-22-3.5, to the bonds or
 51 lease rental obligations of another party to the agreement under

1 IC 5-1-14-4.

2 ~~(c)~~ **(d)** An economic development entity may not grant to another
3 entity the power to tax or to establish an allocation area under
4 IC 8-22-3.5, ~~or~~ IC 36-7-14-39, **or IC 36-7-15.1.**

5 ~~(f)~~ **(e)** An agreement under this section does not have to comply with
6 section 3(a)(5) or 4 of this chapter.

7 ~~(g)~~ **(f)** An action to challenge the validity of an agreement under this
8 section must be brought within thirty (30) days after the agreement has
9 been approved by all the parties to the agreement. After that period has
10 passed, the agreement is not contestable for any cause.

11 SECTION 8. IC 36-7-13-4 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) To provide
13 money for the purposes set forth in section 3 of this chapter, the unit
14 shall create a special revolving fund to be known as the industrial
15 development fund, into which any available and unappropriated money
16 of the unit may be transferred by the unit's legislative body.

17 (b) The legislative body may also by ordinance levy a tax not to
18 exceed one and sixty-seven hundredths cents (\$0.0167) on each one
19 hundred dollars (\$100) of assessed value of all personal and real
20 property within its jurisdiction. The proceeds of this tax shall be
21 deposited in the industrial development fund. The unit may collect the
22 tax as other municipal or county taxes are collected, or may set up a
23 system for the collection and enforcement of the tax in the unit. ~~The~~
24 ~~proceeds of the tax~~ **Money in the industrial development fund** may
25 be used for any purpose authorized by this chapter and may be pledged
26 for the payment of principal and interest on bonds or other ~~obligation~~
27 **obligations** issued under this chapter.

28 SECTION 9. IC 36-7-13-21 IS ADDED TO THE INDIANA CODE
29 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2005]: **Sec. 21. (a) Two (2) or more:**

31 **(1) advisory commissions; or**

32 **(2) legislative bodies;**

33 **or any combination of advisory commissions and legislative bodies**
34 **may enter into a written agreement under this section to jointly**
35 **undertake economic development projects.**

36 **(b) A party to an agreement under this section may do one (1) or**
37 **more of the following:**

38 **(1) Except as provided in subsection (c), grant one (1) or more**
39 **of its powers to another party to the agreement.**

40 **(2) Exercise any power granted to it by a party to the**
41 **agreement.**

42 **(3) Pledge any of its revenues to the bonds or lease rental**
43 **obligations of another party to the agreement under**
44 **IC 5-1-14-4.**

45 **(c) A party to an agreement under this section may not grant**
46 **another party to the agreement the power to tax or to establish a**
47 **district under this chapter.**

48 **(d) An action to challenge the validity of an agreement under this**
49 **section must be brought not more than thirty (30) days after the**
50 **agreement has been approved by all the parties to the agreement.**
51 **After that period has passed, the agreement is not contestable for**

1 **any cause.**

2 SECTION 10. IC 36-7-13-22 IS ADDED TO THE INDIANA CODE
3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2005]: **Sec. 22. An agreement described in section 21 of this
5 chapter must provide for the following:**

6 **(1) The duration of the agreement.**

7 **(2) The purpose of the agreement.**

8 **(3) The manner of financing, staffing, and supplying the joint
9 undertaking and of establishing and maintaining a budget for
10 the joint undertaking.**

11 **(4) The methods that may be employed in accomplishing the
12 partial or complete termination of the agreement and for
13 disposing of property upon partial or complete termination of
14 the agreement.**

15 **(5) The manner of acquiring, holding, and disposing of real and
16 personal property used in the joint undertaking.**

17 **(6) Any other appropriate matters.**

18 SECTION 11. IC 36-7-30.5 IS ADDED TO THE INDIANA CODE
19 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
20 UPON PASSAGE]:

21 **Chapter 30.5. Development of Multicounty Federal Military
22 Bases**

23 **Sec. 1. This chapter applies only to a military base that is located
24 in more than two (2) counties.**

25 **Sec. 2. As used in sections 23 and 29 of this chapter, "bonds"
26 means bonds, notes, evidences of indebtedness, or other obligations
27 issued by the development authority in the name of a unit.**

28 **Sec. 3. As used in this chapter, "council" refers to the military
29 base planning council established under IC 4-3-21-3.**

30 **Sec. 4. As used in this chapter, "development authority" means
31 a military base development authority established under section 8
32 of this chapter.**

33 **Sec. 5. As used in this chapter, "military base" means a United
34 States government military base or other military installation that
35 is:**

36 **(1) scheduled for closing or realignment; or**

37 **(2) completely or partially inactive or closed.**

38 **Sec. 6. As used in this chapter, "military base property" means
39 real and personal property that is currently or was formerly part
40 of a military base and is subject to development or reuse.**

41 **Sec. 7. (a) The planning, replanning, rehabilitation, development,
42 redevelopment, and other preparation for development or reuse of
43 military bases and military base property are public and
44 governmental functions that cannot be accomplished through the
45 ordinary operations of private enterprise because of the following:**

46 **(1) The provisions of federal law that provide for the
47 expeditious and affordable transfer of military base property
48 to an entity established by local government for these purposes.**

49 **(2) The necessity for requiring the proper use of the land to
50 best serve the interests of the unit and its citizens.**

51 **(3) The costs of the projects.**

1 **(b) The planning, replanning, rehabilitation, development,**
 2 **redevelopment, and other preparation for development or reuse**
 3 **will do the following:**

4 **(1) Benefit the public health, safety, morals, and welfare.**

5 **(2) Increase the economic well-being of counties represented on**
 6 **the development authority and the state.**

7 **(3) Serve to protect and increase property values in the**
 8 **counties represented on the development authority and the**
 9 **state.**

10 **(c) The planning, replanning, rehabilitation, development,**
 11 **redevelopment, and other preparation for development or reuse of**
 12 **military bases and military base property under this chapter are**
 13 **public uses and purposes for which public money may be spent and**
 14 **private property may be acquired.**

15 **(d) A development authority and all appropriate units shall, to**
 16 **the extent feasible under this chapter and consistent with the needs**
 17 **of the development authority and the units, provide a maximum**
 18 **opportunity for development or reuse of federal military bases by**
 19 **private enterprise or state and local government.**

20 **(e) This section shall be liberally construed to carry out the**
 21 **purposes of this section.**

22 **Sec. 8. (a) If the council, by the affirmative votes of a majority of**
 23 **the voting members of the council, votes to require that a**
 24 **development authority should be established under this chapter,**
 25 **the development authority shall be established.**

26 **(b) A unit may not create a reuse authority under IC 36-7-30 for**
 27 **all or part of a military base that is:**

28 **(1) governed by this chapter; and**

29 **(2) located within the boundaries of the unit.**

30 **Sec. 9. A development authority established under this chapter**
 31 **shall be governed by a board of nine (9) members to be known as**
 32 **the "Crane Development Authority".**

33 **Sec. 10. (a) The nine (9) members of a development authority**
 34 **shall be appointed as follows:**

35 **(1) Two (2) members shall be appointed by the county**
 36 **executive of Greene County.**

37 **(2) Two (2) members shall be appointed by the county**
 38 **executive of Lawrence County.**

39 **(3) Two (2) members shall be appointed by the county**
 40 **executive of Martin County.**

41 **(4) One (1) member shall be appointed by the county executive**
 42 **of Daviess County.**

43 **(5) One (1) member shall be appointed by the county executive**
 44 **of Monroe County.**

45 **(6) One (1) member shall be appointed by the county executive**
 46 **of Orange County.**

47 **Sec. 11. (a) Each member of a military base development**
 48 **authority shall serve the longer of:**

49 **(1) three (3) years beginning with the first day of January after**
 50 **the member's appointment; or**

51 **(2) until the member's successor has been appointed and**

1 **qualified.**

2 **If a vacancy occurs, a successor shall be appointed in the same**
 3 **manner as the original member. The successor shall serve for the**
 4 **remainder of the vacated term.**

5 **(b) Each member of a development authority, before beginning**
 6 **the member's duties, shall take and subscribe an oath of office in**
 7 **the usual form, to be endorsed on the certificate of the member's**
 8 **appointment. The endorsed certificate must be promptly filed with**
 9 **the clerk for the unit that the member serves.**

10 **(c) Each member of a development authority, before beginning**
 11 **the member's duties, shall execute a bond payable to the state, with**
 12 **surety to be approved by the executive of the unit. The bond must**
 13 **be:**

14 **(1) in the penal sum of fifteen thousand dollars (\$15,000); and**
 15 **(2) conditioned on the faithful performance of the duties of the**
 16 **member's office and the accounting for all money and property**
 17 **that may come into the member's hands or under the member's**
 18 **control.**

19 **(d) A member of a development authority must be:**

20 **(1) at least eighteen (18) years of age; and**
 21 **(2) a resident of the county responsible for the member's**
 22 **appointment.**

23 **(e) If a member ceases to be qualified under this section, the**
 24 **member forfeits the member's office.**

25 **(f) Members of a development authority are not entitled to**
 26 **salaries but are entitled to reimbursement for expenses necessarily**
 27 **incurred in the performance of their duties.**

28 **Sec. 12. (a) The development authority members shall hold a**
 29 **meeting for the purpose of organization not later than thirty (30)**
 30 **days after they are appointed and, after that, each year on the first**
 31 **day in January that is not a Saturday, Sunday, or legal holiday.**
 32 **The members shall choose one (1) of their members as president,**
 33 **another as vice president, and another as secretary-treasurer.**
 34 **These officers shall perform the duties usually concerning their**
 35 **offices and shall serve from the date of their election until their**
 36 **successors are elected and qualified.**

37 **(b) Except as otherwise provided in this chapter, the**
 38 **secretary-treasurer shall be responsible for the funds and accounts**
 39 **of the development authority. The development authority may:**

40 **(1) employ personnel for compensation to assist the**
 41 **secretary-treasurer; or**
 42 **(2) designate or appoint a fiscal officer of a county responsible**
 43 **for appointing one (1) or more development authority members**
 44 **to perform the duties that are delegated by the development**
 45 **authority and accepted by the fiscal officer.**

46 **(c) The members of a development authority may adopt rules and**
 47 **bylaws the members consider necessary for:**

48 **(1) the proper conduct of proceedings;**
 49 **(2) carrying out of the members' duties; and**
 50 **(3) safeguarding the money and property placed in the**
 51 **members' custody by this chapter.**

1 In addition to the annual meeting, the members may by resolution
2 or in accordance with the rules and bylaws prescribe the date and
3 manner of notice of other regular or special meetings.

4 (d) Five (5) members of the development authority constitute a
5 quorum. The concurrence of five (5) members is necessary to
6 authorize an action.

7 Sec. 13. A member of a military base development authority may
8 be summarily removed from office at any time by the county
9 executive that appointed the member.

10 Sec. 14. The development authority shall do the following:

11 (1) Investigate, study, and survey the area surrounding and the
12 real property and structures that are part of the military base.

13 (2) Investigate, study, and determine the means by which
14 military base property may be developed or reused by private
15 enterprise to promote economic development within counties
16 represented on the development authority or by state and local
17 government to otherwise benefit the welfare of the citizens of
18 the counties represented on the development authority.

19 (3) Promote the development of military base property in the
20 manner that best serves the interests of the state and its
21 inhabitants.

22 (4) Cooperate with the departments and agencies of units and
23 of other governmental entities, including the state and the
24 federal government, in the manner that best serves the
25 purposes of this chapter.

26 (5) Make findings and reports on their activities under this
27 section, and keep the reports available for inspection by the
28 public.

29 (6) Select and acquire military base property to be developed
30 or reused by private enterprise or state or local government
31 under this chapter.

32 (7) Transfer acquired military base property and other real
33 and personal property to private enterprise or state or local
34 government in the manner that best serves the social and
35 economic interests of the state and the state's inhabitants.

36 (8) Consider recommendations made by the council concerning
37 the operations of the development authority.

38 Sec. 15. The development authority may do the following:

39 (1) Acquire by purchase, exchange, gift, grant, condemnation,
40 or lease, or any combination of methods, any personal military
41 base property or interest in real military base property or
42 other real or personal property located within the corporate
43 boundaries of a unit that contains all or part of the military
44 base.

45 (2) Hold, use, sell (by conveyance by deed, land sale contract,
46 or other instrument), exchange, lease, rent, or otherwise
47 dispose of real or personal military base property or other real
48 and personal property to private enterprise or state or local
49 government, on the terms and conditions that the development
50 authority considers best for the state and the state's
51 inhabitants.

- 1 **(3) Sell, lease, or grant interests in all or part of the real**
- 2 **property acquired from a military base to a department of a**
- 3 **unit or to any other governmental agency for public ways,**
- 4 **levees, sewerage, parks, playgrounds, schools, and other public**
- 5 **purposes on any terms that may be agreed on.**
- 6 **(4) Clear real property acquired for the purposes of this**
- 7 **chapter.**
- 8 **(5) Repair and maintain structures acquired for the purposes**
- 9 **of this chapter.**
- 10 **(6) Remodel, rebuild, enlarge, or make major structural**
- 11 **improvements on structures acquired from a military base.**
- 12 **(7) Survey or examine any land to determine whether it should**
- 13 **be acquired for the purpose of this chapter and to determine**
- 14 **the value of the land.**
- 15 **(8) Appear before any other department or agency of a unit or**
- 16 **any other governmental agency in respect to any matter**
- 17 **affecting:**
- 18 **(A) real property acquired or being acquired for the**
- 19 **purposes of this chapter; or**
- 20 **(B) any development area within the jurisdiction of the**
- 21 **development authority.**
- 22 **(9) Institute or defend in the name of the development**
- 23 **authority any civil action.**
- 24 **(10) Use any legal or equitable remedy that is necessary or**
- 25 **considered proper to protect and enforce the rights of and**
- 26 **perform the duties of the development authority.**
- 27 **(11) Exercise the power of eminent domain within military base**
- 28 **property in the manner prescribed by section 21 of this**
- 29 **chapter.**
- 30 **(12) Appoint an executive director, appraisers, real estate**
- 31 **experts, engineers, architects, surveyors, attorneys,**
- 32 **accountants, and other consultants that are necessary or**
- 33 **desired by the authority in exercising its powers or carrying**
- 34 **out its responsibilities under this chapter.**
- 35 **(13) Appoint clerks, guards, laborers, and other employees the**
- 36 **development authority considers advisable.**
- 37 **(14) Prescribe the duties and regulate the compensation of**
- 38 **employees of the development authority.**
- 39 **(15) Provide a pension and retirement system for employees of**
- 40 **the development authority.**
- 41 **(16) Discharge and appoint successors to employees of the**
- 42 **development authority.**
- 43 **(17) Rent offices for use of the development authority or accept**
- 44 **the use of offices furnished by a unit.**
- 45 **(18) Equip the offices of the development authority with the**
- 46 **necessary furniture, furnishings, equipment, records, and**
- 47 **supplies.**
- 48 **(19) Expend on behalf of the counties represented on the**
- 49 **development authority all or any part of the money of the**
- 50 **development authority.**
- 51 **(20) Design, order, contract for, construct, reconstruct,**

1 improve, or renovate the following:

2 (A) Local public improvements or structures that are
3 necessary for the development of military base property.

4 (B) Any structure that enhances the development, economic
5 development, or reuse of military base property.

6 (21) Accept loans, grants, and other forms of financial
7 assistance from the federal government, the state government,
8 a municipal corporation, a special taxing district, a foundation,
9 or any other source.

10 (22) Provide financial assistance, in the manner that best serves
11 the purposes of this chapter, including grants and loans, to
12 enable private enterprise to develop, redevelop, and reuse
13 military base property or otherwise enable private enterprise
14 to provide social and economic benefits to the citizens of the
15 state.

16 (23) Enter into contracts for providing police, fire protection,
17 and utility services to the military base development area.

18 (24) Make and enter into all contracts and agreements
19 necessary or incidental to the performance of the duties of the
20 development authority and the execution of the power of the
21 development authority under this chapter.

22 (25) Adopt a seal.

23 (26) Take any action necessary to implement the purposes of
24 the development authority.

25 **Sec. 16. (a) The development authority shall adopt a plan for the:**

26 (1) rehabilitation;

27 (2) development;

28 (3) redevelopment; and

29 (4) reuse;

30 of military base property to be acquired from the federal
31 government upon the closure or scheduled closure of the military
32 base.

33 (b) In conjunction with the plan adopted under subsection (a), the
34 development authority may adopt a resolution declaring that a
35 geographic area is a military base development area and approving
36 the plan if it makes the following findings:

37 (1) All or part of a military base is located in the military base
38 development area.

39 (2) The plan for the military base development area will
40 accomplish the public purposes of this chapter, supported by
41 specific findings of fact to be adopted by the development
42 authority.

43 (3) The public health and welfare will be benefitted by
44 accomplishment of the plan for the military base development
45 area.

46 (4) The plan for the military base development area conforms
47 to other development and redevelopment plans for the counties
48 represented on the development authority.

49 (c) A military base development area may include territory
50 within military base property. However, a military base
51 development area may not include any area of land that constitutes

1 part of an economic development area, a blighted area, or an urban
2 renewal area under IC 36-7-14.

3 (d) The resolution must state:

4 (1) the general boundaries of the area; and

5 (2) that the development authority proposes to acquire all the
6 interests in the land within the boundaries, with certain
7 designated exceptions, if any.

8 (e) For the purpose of adopting a resolution under subsection (b),
9 it is sufficient to describe the boundaries of the area by its location
10 in relation to public ways or streams, or otherwise, as determined
11 by the development authority. Property excepted from the
12 acquisition may be described by street numbers or location.

13 Sec. 17. (a) After adoption of a resolution under section 16 of this
14 chapter, the development authority shall submit the resolution and
15 supporting data to the plan commission of an affected unit or other
16 body charged with the duty of developing a general plan for the
17 unit, if there is such a body. The plan commission may determine
18 whether the resolution and the development plan conform to the
19 plan of development for the unit and approve or disapprove the
20 resolution and plan proposed. The development authority may
21 amend or modify the resolution and proposed plan to conform to
22 the requirements of a plan commission. A plan commission shall
23 issue a written order approving or disapproving the resolution and
24 military base development plan, and may with the consent of the
25 development authority rescind or modify the order.

26 (b) The determination that a geographic area is a military base
27 development area must be approved by an affected unit's legislative
28 body.

29 (c) After receipt of all orders and approvals required under
30 subsections (a) and (b), the development authority shall publish
31 notice of the adoption and the substance of the resolution in
32 accordance with IC 5-3-1. The notice must name a date when the
33 development authority will receive and hear remonstrances and
34 objections from persons interested in or affected by the proceedings
35 concerning the proposed project and will determine the public
36 utility and benefit of the proposed project. All persons affected in
37 any manner by the hearing shall be considered notified of the
38 pendency of the hearing and of subsequent acts, hearings,
39 adjournments, and orders of the development authority by the
40 notice given under this section.

41 (d) At the hearing under subsection (c), which may be adjourned
42 from time to time, the development authority shall:

43 (1) hear all persons interested in the proceedings; and

44 (2) consider all written remonstrances and objections that have
45 been filed.

46 After considering the evidence presented, the development
47 authority shall take final action determining the public utility and
48 benefit of the proposed project, and confirming, modifying and
49 confirming, or rescinding the resolution. The final action taken by
50 the development authority is final and conclusive, except that an
51 appeal may be taken in the manner prescribed by section 19 of this

1 chapter.

2 **Sec. 18. (a) The development authority must conduct a public**
 3 **hearing before amending a resolution or plan for a military base**
 4 **development area. The development authority shall give notice of**
 5 **the hearing in accordance with IC 5-3-1. The notice must do the**
 6 **following:**

- 7 (1) Set forth the substance of the proposed amendment.
 8 (2) State the time and place where written remonstrances
 9 against the proposed amendment may be filed.
 10 (3) Set forth the date, time, and place of the hearing.
 11 (4) State that the development authority will hear any person
 12 who has filed a written remonstrance during the filing period
 13 set forth in subdivision (2).

14 **(b) For the purposes of this section, the consolidation of areas is**
 15 **not considered the enlargement of the boundaries of an area.**

16 **(c) If the development authority proposes to amend a resolution**
 17 **or plan, the development authority is not required to have evidence**
 18 **or make findings that were required for the establishment of the**
 19 **original military base development area. However, the development**
 20 **authority must make the following findings before approving the**
 21 **amendment:**

- 22 (1) The amendment is reasonable and appropriate when
 23 considered in relation to the original resolution or plan and the
 24 purposes of this chapter.
 25 (2) The resolution or plan, with the proposed amendment,
 26 conforms to the comprehensive plan for an affected unit.

27 **(d) Notwithstanding subsections (a) and (c), if the resolution or**
 28 **plan is proposed to be amended in a way that enlarges the original**
 29 **boundaries of the area by more than twenty percent (20%), the**
 30 **development authority must use the procedure provided for the**
 31 **original establishment of areas and must comply with sections 16**
 32 **through 17 of this chapter.**

33 **(e) At the hearing on the amendments, the development authority**
 34 **shall consider written remonstrances that are filed. The action of**
 35 **the development authority on the amendment is final and**
 36 **conclusive, except that an appeal of the development authority's**
 37 **action may be taken under section 19 of this chapter.**

38 **Sec. 19. (a) A person who filed a written remonstrance with the**
 39 **development authority under section 17 or 18 of this chapter and**
 40 **is aggrieved by the final action taken may, not more than ten (10)**
 41 **days after that final action, file in the office of the clerk of an**
 42 **appropriate circuit or superior court a copy of the order of the**
 43 **development authority and person's remonstrances against that**
 44 **order, together with the person's bond conditioned to pay the costs**
 45 **of the person's appeal if the appeal is determined against the**
 46 **person. The only ground of remonstrance that the court may hear**
 47 **is whether the proposed project will be of public utility and benefit.**
 48 **The burden of proof is on the remonstrator.**

49 **(b) An appeal under this section shall be promptly heard by the**
 50 **court without a jury. All remonstrances upon which an appeal has**
 51 **been taken shall be consolidated and heard and determined not**

1 more than thirty (30) days after the time of the filing of the appeal.
2 The court shall hear evidence on the remonstrances and may
3 confirm the final action of the development authority or sustain the
4 remonstrances. The judgment of the court is final and conclusive,
5 unless an appeal is taken as in other civil actions.

6 Sec. 20. (a) If:

7 (1) an appeal is not taken; or

8 (2) an appeal is taken but is unsuccessful;

9 the development authority shall proceed with the plan to the extent
10 that money is available for that purpose.

11 (b) Negotiations for the purchase of property may be carried on
12 directly by the development authority, by its employees, or by
13 expert negotiators. However, an option, a contract, or an
14 understanding relative to the purchase of real property is not
15 binding on the development authority until approved and accepted
16 by the development authority in writing. Payment for the property
17 purchased shall be made when and as directed by the development
18 authority but only on delivery of proper instruments conveying the
19 title or interest of the owner to the development authority or its
20 designee.

21 (c) The acquisition of real and personal property by the
22 development authority under this chapter is not subject to the
23 provisions of IC 5-22, IC 36-1-10.5, or any other statutes governing
24 the purchase of property by public bodies or their agencies.

25 Sec. 21. (a) If the development authority considers it necessary to
26 acquire real property in or serving a development area by the
27 exercise of the power of eminent domain, the development
28 authority shall adopt a resolution setting out its determination to
29 exercise that power and directing its attorney to file a petition on
30 behalf of the development authority in the circuit or superior court
31 of the county in which the property is situated. The resolution must
32 be approved by the legislative body of the affected unit before the
33 petition is filed.

34 (b) Eminent domain proceedings under this section are governed
35 by IC 32-24 and other applicable statutory provisions for the
36 exercise of the power of eminent domain. Property already devoted
37 to a public use may be acquired under this section. However,
38 property belonging to the state or a political subdivision may not
39 be acquired without the consent of the state or the political
40 subdivision.

41 (c) The court having jurisdiction shall direct the clerk of the
42 circuit court to execute a deed conveying the title of real property
43 acquired under this section to the development authority for the
44 use and benefit of the development authority.

45 Sec. 22. (a) The development authority may proceed with the
46 clearing and replanning of the area described in the resolution
47 before the acquisition of all of the area. The development authority
48 may also proceed with the repair and maintenance of buildings that
49 have been acquired and are not to be cleared. This clearance,
50 repair, and maintenance may be carried out by labor employed
51 directly by the development authority or by contract. Contracts for

1 clearance may provide that the contractor is entitled to retain and
2 dispose of salvaged material, as a part of the contract price or on
3 the basis of stated prices for the amounts of the various materials
4 actually salvaged.

5 (b) All contracts for material or labor under this section shall be
6 let under IC 36-1.

7 (c) To the extent the development authority undertakes to engage
8 in the planning and rezoning of the real property acquired, in the
9 opening, closing, relocation, and improvement of public ways, and
10 in the construction, relocation, and improvement of levees, sewers,
11 parking facilities, and utility services, the development authority
12 shall proceed in the same manner as private owners of the
13 property. The development authority may negotiate with the
14 proper officers and agencies of the unit to secure the proper orders,
15 approvals, and consents.

16 (d) Construction work required in connection with improvements
17 in the area described in the resolution may be carried out by the
18 following:

19 (1) The appropriate municipal or county department or
20 agency.

21 (2) The development authority, if:

22 (A) all plans, specifications, and drawings are approved by
23 the appropriate department or agency; and

24 (B) the statutory procedures for the letting of contracts by
25 the appropriate department or agency are followed by the
26 development authority.

27 (e) The development authority may pay any charges or
28 assessments made on account of orders, approvals, consents, and
29 construction work under this section, or may agree to pay the
30 assessments in installments as provided by statute in the case of
31 private owners. The development authority may do the following:

32 (1) By special waiver filed with the appropriate municipal
33 works board or county executive, waive the statutory
34 procedure and notices required by law in order to create valid
35 liens on private property.

36 (2) Cause any assessments to be spread on a different basis
37 than that provided by statute.

38 (f) The real property acquired under this chapter may not be set
39 aside and dedicated for public ways, parking facilities, sewers,
40 levees, parks, or other public purposes until the development
41 authority has obtained the consent and approval of the department
42 or agency under whose jurisdiction the property will be placed.

43 (g) The development authority may negotiate for the sale, lease,
44 or other disposition of real and personal property without
45 complying with the provisions of IC 36-1-11 or any other statute
46 governing the disposition of public property. A conveyance under
47 this section may not be made until the agreed consideration has
48 been paid, unless the development authority passes a resolution
49 expressly providing that the consideration does not have to be paid
50 before the conveyance is made. The resolution may provide for a
51 mortgage or other security. All deeds, leases, land sale contracts, or

1 other conveyances shall be:

- 2 (1) executed in the name of the development authority; and
 3 (2) signed by the president or vice president of the development
 4 authority and attested by the secretary-treasurer.

5 A seal is not required on these instruments or any other
 6 instruments executed in the name of the development authority.
 7 Proceeds from the sale, lease, or other disposition of property may
 8 be deposited in any fund and used for any purpose allowed under
 9 this chapter, as directed by the development authority.

10 Sec. 23. (a) In addition to other methods of raising money for
 11 property acquisition, redevelopment, reuse, or economic
 12 development activities in or directly serving or benefitting a
 13 military base development area, and in anticipation of the taxes
 14 allocated under section 30 of this chapter, other revenues of the
 15 district, or any combination of these sources, the development
 16 authority may by resolution issue the bonds of the development
 17 authority.

18 (b) The secretary-treasurer of the development authority shall
 19 prepare the bonds. The seal of the development authority must be
 20 impressed on the bonds or a facsimile of the seal must be printed
 21 on the bonds.

22 (c) The bonds must be executed by the president of the
 23 development authority and attested by the secretary-treasurer.

24 (d) The bonds are exempt from taxation for all purposes.

25 (e) Bonds issued under this section may be sold at public sale in
 26 accordance with IC 5-1-11 or at a negotiated sale.

27 (f) The bonds are not a corporate obligation of a unit but are an
 28 indebtedness of only the development authority. The bonds and
 29 interest are payable, as set forth in the bond resolution of the
 30 development authority, from any of the following:

- 31 (1) The tax proceeds allocated under section 30 of this chapter.
 32 (2) Other revenues available to the development authority.
 33 (3) A combination of the methods stated in subdivisions (1)
 34 through (2).

35 The bonds issued under this section may be issued in any amount
 36 without limitation.

37 (g) Proceeds from the sale of bonds may be used to pay the cost
 38 of interest on the bonds for a period not to exceed five (5) years
 39 after the date of issuance.

40 (h) All laws relating to the filing of petitions requesting the
 41 issuance of bonds and the right of taxpayers to remonstrate against
 42 the issuance of bonds do not apply to bonds issued under this
 43 chapter.

44 (i) If a debt service reserve is created from the proceeds of bonds,
 45 the debt service reserve may be used to pay principal and interest
 46 on the bonds as provided in the bond resolution.

47 (j) If bonds are issued under this chapter that are payable solely
 48 or in part from revenues of the development authority, the
 49 development authority may adopt a resolution or trust indenture
 50 or enter into covenants as is customary in the issuance of revenue
 51 bonds. The resolution or trust indenture may pledge or assign

1 revenues of the development authority and properties becoming
2 available to the development authority under this chapter. The
3 resolution or trust indenture may also contain provisions for
4 protecting and enforcing the rights and remedies of the bond
5 owners as may be reasonable and proper and not in violation of
6 law, including a covenant setting forth the duties of the
7 development authority. The development authority may establish
8 fees and charges for the use of any project and covenant with the
9 owners of any bonds to set the fees and charges at a rate sufficient
10 to protect the interest of the owners of the bonds. Revenue bonds
11 issued by the development authority that are payable solely from
12 revenues of the development authority shall contain a statement to
13 that effect in the form of the bond.

14 **Sec. 24. (a)** A development authority may enter into a lease of any
15 property that could be financed with the proceeds of bonds issued
16 under this chapter with a lessor for a term of not more than fifty
17 (50) years. The lease may provide for payments to be made by the
18 development authority from taxes allocated under section 30 of this
19 chapter, any other revenues available to the development authority,
20 or any combination of these sources.

21 (b) A lease may provide that payments by the development
22 authority to the lessor are required only to the extent and only for
23 the period that the lessor is able to provide the leased facilities in
24 accordance with the lease. The terms of each lease must be based
25 upon the value of the facilities leased and may not create a debt of
26 the unit or the district for purposes of the Constitution of the State
27 of Indiana.

28 (c) A lease may be entered into by the development authority only
29 after a public hearing by the development authority at which all
30 interested parties are provided the opportunity to be heard. After
31 the public hearing, the development authority may adopt a
32 resolution authorizing the execution of the lease on behalf of the
33 unit if the development authority finds that the service to be
34 provided throughout the term of the lease will serve the public
35 purpose of the unit and is in the best interests of its residents. Any
36 lease approved by a resolution of the development authority must
37 be approved by the fiscal body of the appropriate unit.

38 (d) A development authority entering into a lease payable from
39 allocated taxes under section 30 of this chapter or other available
40 funds of the development authority may do the following:

41 (1) Pledge the revenue to make payments under the lease under
42 IC 5-1-14-4.

43 (2) Establish a special fund to make the payments.

44 (e) Lease payments may be limited to money in the special fund
45 so that the obligations of the development authority to make the
46 lease rental payments are not considered a debt of a unit or the
47 district for purposes of the Constitution of the State of Indiana.

48 (f) Except as provided in this section, approvals of any
49 governmental body or agency are not required before the
50 development authority may enter into a lease under this section.

51 (g) If a development authority exercises an option to buy a leased

1 facility from a lessor, the development authority may subsequently
 2 sell the leased facility, without regard to any other statute, to the
 3 lessor at the end of the lease term at a price set forth in the lease or
 4 at fair market value established at the time of the sale by the
 5 development authority through auction, appraisal, or negotiation.
 6 If the facility is sold at auction, after appraisal or through
 7 negotiation, the development authority shall conduct a hearing
 8 after public notice in accordance with IC 5-3-1 before the sale. Any
 9 action to contest the sale must be brought not more than fifteen
 10 (15) days after the hearing.

11 (h) Notwithstanding this section, a development authority may
 12 negotiate and enter into leases of property from the United States
 13 or any department or agency of the United States without
 14 complying with the requirements of this section.

15 **Sec. 25. (a) Any of the following persons may lease facilities**
 16 **referred to in section 24 of this chapter to a development authority**
 17 **under this chapter:**

18 (1) A for-profit or nonprofit corporation organized under
 19 Indiana law or admitted to do business in Indiana.

20 (2) A partnership, an association, a limited liability company,
 21 or a firm.

22 (3) An individual.

23 (4) A redevelopment authority established under IC 36-7-14.5.

24 (b) Notwithstanding any other law, a lessor under this section and
 25 section 24 of this chapter is a qualified entity for purposes of
 26 IC 5-1.4.

27 (c) Notwithstanding any other law, a military base development
 28 facility leased by the development authority under this chapter
 29 from a lessor borrowing bond proceeds from a unit under
 30 IC 36-7-12 is an economic development facility for purposes of
 31 IC 36-7-11.9-3 and IC 36-7-12.

32 (d) Notwithstanding IC 36-7-12-25 and IC 36-7-12-26, payments
 33 by a development authority to a lessor described in subsection (c)
 34 may be made from sources set forth in section 24 of this chapter if
 35 the payments and the lease are structured to prevent the lease
 36 obligation from constituting a debt of a unit or the district for
 37 purposes of the Constitution of the State of Indiana.

38 **Sec. 26. (a) Notwithstanding any other law, the legislative body**
 39 **of a unit may pledge revenues received or to be received by the unit**
 40 **from:**

41 (1) the unit's distributive share of the county adjusted gross
 42 income tax under IC 6-3.5-1.1;

43 (2) the unit's distributive share of the county option income tax
 44 under IC 6-3.5-6;

45 (3) the unit's distributive share of the county economic
 46 development income tax under IC 6-3.5-7;

47 (4) any other source legally available to the unit for the
 48 purposes of this chapter; or

49 (5) any combination of revenues under subdivisions (1) through
 50 (4);

51 in any amount to pay amounts payable under section 23 or 24 of

1 **this chapter.**

2 **(b) The legislative body may covenant to adopt an ordinance to**
3 **increase its tax rate under the county adjusted gross income tax,**
4 **county option income tax, county economic development income**
5 **tax, or any other revenues at the time it is necessary to raise funds**
6 **to pay any amounts payable under section 23 or 24 of this chapter.**

7 **(c) The development authority may pledge revenues received or**
8 **to be received from any source legally available to the development**
9 **authority for the purposes of this chapter in any amount to pay**
10 **amounts payable under section 23 or 24 of this chapter.**

11 **(d) The pledge or covenant under this section may be for:**

12 **(1) the term of the bonds issued under section 23 of this**
13 **chapter;**

14 **(2) the term of a lease entered into under section 24 of this**
15 **chapter; or**

16 **(3) for a shorter period as determined by the legislative body.**
17 **Money pledged by the legislative body under this section shall be**
18 **considered revenues or other money available to the development**
19 **authority under sections 23 through 24 of this chapter.**

20 **(e) The general assembly covenants not to impair this pledge or**
21 **covenant as long as any bonds issued under section 23 of this**
22 **chapter are outstanding or as long as any lease entered into under**
23 **section 24 of this chapter is still in effect. The pledge or covenant**
24 **shall be enforced as provided in IC 5-1-14-4.**

25 **Sec. 27. (a) All proceeds from the sale of bonds under section 23**
26 **of this chapter shall be kept as a separate and specific fund to pay**
27 **the expenses incurred in connection with the property acquisition,**
28 **redevelopment, reuse, and economic development of the military**
29 **base development area. The fund shall be known as the military**
30 **base development district capital fund.**

31 **(b) All gifts or donations that are given or paid to the**
32 **development authority or to a unit for military base development**
33 **purposes shall be promptly deposited to the credit of the military**
34 **base development district general fund unless otherwise directed by**
35 **the grantor. The development authority may use these gifts and**
36 **donations for the purposes of this chapter.**

37 **Sec. 28. (a) All payments from any of the funds established by**
38 **this chapter shall be made by warrants drawn by the**
39 **secretary-treasurer or the secretary-treasurer's agent under section**
40 **12 of this chapter on vouchers of the development authority signed**
41 **by the president or vice president and the secretary-treasurer or**
42 **executive director. An appropriation is not necessary, but all**
43 **money raised under this chapter is considered appropriated to the**
44 **respective purposes stated and is under the control of the**
45 **development authority. The development authority has complete**
46 **and exclusive authority to expend the money for the purposes**
47 **provided.**

48 **(b) Each fund established by this chapter is a continuing fund.**

49 **Sec. 29. (a) To finance activities authorized under this chapter,**
50 **the development authority may apply for and accept advances,**
51 **short term and long term loans, grants, contributions, and any**

1 other form of financial assistance from the federal government, or
2 from any of its agencies. The development authority may also enter
3 into and carry out contracts and agreements in connection with
4 that financial assistance upon the terms and conditions that the
5 development authority considers reasonable and appropriate, if
6 those terms and conditions are not inconsistent with the purposes
7 of this chapter. The provisions of a contract or an agreement in
8 regard to the handling, deposit, and application of project funds,
9 as well as all other provisions, are valid and binding on the
10 development authority, notwithstanding any other provision of this
11 chapter.

12 (b) The development authority may issue and sell bonds, notes,
13 or warrants to the federal government to evidence short term or
14 long term loans made under this section, without notice of sale
15 being given or a public offering being made.

16 (c) Notwithstanding the provisions of this chapter or any other
17 law, the bonds, notes, or warrants issued by the development
18 authority under this section may:

- 19 (1) be in the amounts, form, or denomination;
- 20 (2) be either coupon or registered;
- 21 (3) carry conversion or other privileges;
- 22 (4) have a rank or priority;
- 23 (5) be of such description;
- 24 (6) be secured, subject to other provisions of this section, in
25 such manner;
- 26 (7) bear interest at a rate or rates;
- 27 (8) be payable as to both principal and interest in a medium of
28 payment, at time or times, which may be upon demand, and at
29 a place or places;
- 30 (9) be subject to terms of redemption, with or without
31 premium;
- 32 (10) contain or be subject to any covenants, conditions, and
33 provisions; and
- 34 (11) have any other characteristics;

35 that the development authority considers reasonable and
36 appropriate.

37 (d) Bonds, notes, or warrants issued under this section are not an
38 indebtedness of a unit or taxing district within the meaning of any
39 constitutional or statutory limitation of indebtedness. The bonds,
40 notes, or warrants are not payable from or secured by a levy of
41 taxes, but are payable only from and secured only by any
42 combination of:

- 43 (1) income;
- 44 (2) funds;
- 45 (3) properties of the project becoming available to the
46 development authority under this chapter; or
- 47 (4) any other legally available revenues of the development
48 authority;

49 as the development authority specifies in the resolution authorizing
50 their issuance.

51 (e) Bonds, notes, or warrants issued under this section are exempt

1 from taxation for all purposes.

2 (f) Bonds, notes, or warrants issued under this section must be
3 executed by the appropriate officers of a development authority
4 and must be attested by the appropriate officers of a development
5 authority.

6 (g) Following the adoption of the resolution authorizing the
7 issuance of bonds, notes, or warrants under this section, the
8 development authority shall certify a copy of that resolution to the
9 officers who have duties with respect to bonds, notes, or warrants
10 of the development authority. At the proper time, the development
11 authority shall deliver to the officers the unexecuted bonds, notes,
12 or warrants prepared for execution in accordance with the
13 resolution.

14 (h) All bonds, notes, or warrants issued under this section shall
15 be sold by the officers of a development authority who have duties
16 with respect to the sale of bonds, notes, or warrants of the
17 development authority. If an officer whose signature appears on
18 any bonds, notes, or warrants issued under this section leaves office
19 before their delivery, the signature remains valid and sufficient for
20 all purposes as if the officer had remained in office until the
21 delivery.

22 (i) If at any time during the life of a loan contract or agreement
23 under this section the development authority may obtain loans for
24 the purposes of this section from sources other than the federal
25 government at interest rates not less favorable than provided in the
26 loan contract or agreement, and if the loan contract or agreement
27 allows, the development authority may do so and may pledge the
28 loan contract and any rights under the contract as security for the
29 repayment of the loans obtained from other sources. A loan under
30 this subsection may be evidenced by bonds, notes, or warrants
31 issued and secured in the same manner as provided in this section
32 for loans from the federal government. The bonds, notes, or
33 warrants may be sold at either public or private sale, as the
34 development authority considers appropriate.

35 (j) Money obtained from the federal government or from other
36 sources under this section, and money that is required by a
37 contract or an agreement under this section to be used for project
38 expenditure purposes, repayment of survey and planning advances,
39 or repayment of temporary or definitive loans, may be expended by
40 the development authority without regard to any law concerning
41 the making and approval of budgets, appropriations, and
42 expenditures.

43 (k) Bonds, notes, or warrants issued under this section are
44 declared to be issued for an essential public and governmental
45 purpose.

46 Sec. 30. (a) The following definitions apply throughout this
47 section:

48 (1) "Allocation area" means that part of a military base
49 development area to which an allocation provision of a
50 declaratory resolution adopted under section 16 of this chapter
51 refers for purposes of distribution and allocation of property

- 1 taxes.
- 2 (2) "Base assessed value" means:
- 3 (A) the net assessed value of all the property as finally
- 4 determined for the assessment date immediately preceding
- 5 the adoption date of the allocation provision of the
- 6 declaratory resolution, as adjusted under subsection (h); plus
- 7 (B) to the extent that it is not included in clause (A) or (C),
- 8 the net assessed value of any and all parcels or classes of
- 9 parcels identified as part of the base assessed value in the
- 10 declaratory resolution or an amendment to the declaratory
- 11 resolution, as finally determined for any subsequent
- 12 assessment date; plus
- 13 (C) to the extent that it is not included in clause (A) or (B),
- 14 the net assessed value of property that is assessed as
- 15 residential property under the rules of the department of
- 16 local government finance, as finally determined for any
- 17 assessment date after the effective date of the allocation
- 18 provision.
- 19 (3) "Property taxes" means taxes imposed under IC 6-1.1 on
- 20 real property.
- 21 (b) A declaratory resolution adopted under section 16 of this
- 22 chapter before the date set forth in IC 36-7-14-39(b) pertaining to
- 23 declaratory resolutions adopted under IC 36-7-14-15 may include
- 24 a provision with respect to the allocation and distribution of
- 25 property taxes for the purposes and in the manner provided in this
- 26 section. A declaratory resolution previously adopted may include
- 27 an allocation provision by the amendment of that declaratory
- 28 resolution in accordance with the procedures set forth in section 18
- 29 of this chapter. The allocation provision may apply to all or part of
- 30 the military base development area. The allocation provision must
- 31 require that any property taxes subsequently levied by or for the
- 32 benefit of any public body entitled to a distribution of property
- 33 taxes on taxable property in the allocation area be allocated and
- 34 distributed as follows:
- 35 (1) Except as otherwise provided in this section, the proceeds
- 36 of the taxes attributable to the lesser of:
- 37 (A) the assessed value of the property for the assessment date
- 38 with respect to which the allocation and distribution is made;
- 39 or
- 40 (B) the base assessed value;
- 41 shall be allocated to and, when collected, paid into the funds of
- 42 the respective taxing units.
- 43 (2) Except as otherwise provided in this section, property tax
- 44 proceeds in excess of those described in subdivision (1) shall be
- 45 allocated to the development authority and, when collected,
- 46 paid into an allocation fund for that allocation area that may
- 47 be used by the development authority and only to do one (1) or
- 48 more of the following:
- 49 (A) Pay the principal of and interest and redemption
- 50 premium on any obligations incurred by the development
- 51 authority or any other entity for the purpose of financing or

- 1 refinancing military base development or reuse activities in
2 or directly serving or benefitting that allocation area.
- 3 **(B) Establish, augment, or restore the debt service reserve for**
4 **bonds payable solely or in part from allocated tax proceeds**
5 **in that allocation area or from other revenues of the**
6 **development authority, including lease rental revenues.**
- 7 **(C) Make payments on leases payable solely or in part from**
8 **allocated tax proceeds in that allocation area.**
- 9 **(D) Reimburse any other governmental body for**
10 **expenditures made for local public improvements (or**
11 **structures) in or directly serving or benefitting that**
12 **allocation area.**
- 13 **(E) Pay all or a part of a property tax replacement credit to**
14 **taxpayers in an allocation area as determined by the**
15 **development authority. This credit equals the amount**
16 **determined under the following STEPS for each taxpayer in**
17 **a taxing district (as defined in IC 6-1.1-1-20) that contains all**
18 **or part of the allocation area:**
- 19 **STEP ONE: Determine that part of the sum of the amounts**
20 **under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),**
21 **IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and**
22 **IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.**
- 23 **STEP TWO: Divide:**
- 24 **(i) that part of each county's eligible property tax**
25 **replacement amount (as defined in IC 6-1.1-21-2) for that**
26 **year as determined under IC 6-1.1-21-4 that is attributable**
27 **to the taxing district; by**
- 28 **(ii) the STEP ONE sum.**
- 29 **STEP THREE: Multiply:**
- 30 **(i) the STEP TWO quotient; by**
- 31 **(ii) the total amount of the taxpayer's taxes (as defined in**
32 **IC 6-1.1-21-2) levied in the taxing district that have been**
33 **allocated during that year to an allocation fund under this**
34 **section.**
- 35 **If not all the taxpayers in an allocation area receive the credit**
36 **in full, each taxpayer in the allocation area is entitled to**
37 **receive the same proportion of the credit. A taxpayer may**
38 **not receive a credit under this section and a credit under**
39 **section 32 of this chapter in the same year.**
- 40 **(F) Pay expenses incurred by the development authority for**
41 **local public improvements or structures that were in the**
42 **allocation area or directly serving or benefitting the**
43 **allocation area.**
- 44 **(G) Reimburse public and private entities for expenses**
45 **incurred in training employees of industrial facilities that are**
46 **located:**
- 47 **(i) in the allocation area; and**
- 48 **(ii) on a parcel of real property that has been classified as**
49 **industrial property under the rules of the department of**
50 **local government finance.**
- 51 **However, the total amount of money spent for this purpose**

1 in any year may not exceed the total amount of money in the
 2 allocation fund that is attributable to property taxes paid by
 3 the industrial facilities described in this clause. The
 4 reimbursements under this clause must be made not more
 5 than three (3) years after the date on which the investments
 6 that are the basis for the increment financing are made.

7 The allocation fund may not be used for operating expenses of
 8 the development authority.

9 (3) Except as provided in subsection (g), before July 15 of each
 10 year the development authority shall do the following:

11 (A) Determine the amount, if any, by which property taxes
 12 payable to the allocation fund in the following year will
 13 exceed the amount of property taxes necessary to make,
 14 when due, principal and interest payments on bonds
 15 described in subdivision (2) plus the amount necessary for
 16 other purposes described in subdivision (2).

17 (B) Notify the appropriate county auditor of the amount, if
 18 any, of the amount of excess property taxes that the
 19 development authority has determined may be paid to the
 20 respective taxing units in the manner prescribed in
 21 subdivision (1). The development authority may not
 22 authorize a payment to the respective taxing units under this
 23 subdivision if to do so would endanger the interest of the
 24 holders of bonds described in subdivision (2) or lessors under
 25 section 24 of this chapter. Property taxes received by a taxing
 26 unit under this subdivision are eligible for the property tax
 27 replacement credit provided under IC 6-1.1-21.

28 (c) For the purpose of allocating taxes levied by or for any taxing
 29 unit or units, the assessed value of taxable property in a territory
 30 in the allocation area that is annexed by a taxing unit after the
 31 effective date of the allocation provision of the declaratory
 32 resolution is the lesser of:

33 (1) the assessed value of the property for the assessment date
 34 with respect to which the allocation and distribution is made;
 35 or

36 (2) the base assessed value.

37 (d) Property tax proceeds allocable to the military base
 38 development district under subsection (b)(2) may, subject to
 39 subsection (b)(3), be irrevocably pledged by the military base
 40 development district for payment as set forth in subsection (b)(2).

41 (e) Notwithstanding any other law, each assessor shall, upon
 42 petition of the development authority, reassess the taxable property
 43 situated upon or in or added to the allocation area, effective on the
 44 next assessment date after the petition.

45 (f) Notwithstanding any other law, the assessed value of all
 46 taxable property in the allocation area, for purposes of tax
 47 limitation, property tax replacement, and the making of the budget,
 48 tax rate, and tax levy for each political subdivision in which the
 49 property is located is the lesser of:

50 (1) the assessed value of the property as valued without regard
 51 to this section; or

1 (2) the base assessed value.

2 (g) If any part of the allocation area is located in an enterprise
3 zone created under IC 5-28-15, the development authority shall
4 create funds as specified in this subsection. A development
5 authority that has obligations, bonds, or leases payable from
6 allocated tax proceeds under subsection (b)(2) shall establish an
7 allocation fund for the purposes specified in subsection (b)(2) and
8 a special zone fund. The development authority shall, until the end
9 of the enterprise zone phase out period, deposit each year in the
10 special zone fund any amount in the allocation fund derived from
11 property tax proceeds in excess of those described in subsection
12 (b)(1) from property located in the enterprise zone that exceeds the
13 amount sufficient for the purposes specified in subsection (b)(2) for
14 the year. The amount sufficient for purposes specified in subsection
15 (b)(2) for the year shall be determined based on the pro rata part
16 of such current property tax proceeds from the part of the
17 enterprise zone that is within the allocation area as compared to all
18 such current property tax proceeds derived from the allocation
19 area. A development authority that does not have obligations,
20 bonds, or leases payable from allocated tax proceeds under
21 subsection (b)(2) shall establish a special zone fund and deposit all
22 the property tax proceeds in excess of those described in subsection
23 (b)(1) that are derived from property in the enterprise zone in the
24 fund. The development authority that creates the special zone fund
25 shall use the fund (based on the recommendations of the urban
26 enterprise association) for programs in job training, job
27 enrichment, and basic skill development that are designed to
28 benefit residents and employers in the enterprise zone or for other
29 purposes specified in subsection (b)(2), except that where reference
30 is made in subsection (b)(2) to an allocation area it shall refer for
31 purposes of payments from the special zone fund only to that part
32 of the allocation area that is also located in the enterprise zone. The
33 programs shall reserve at least one-half (1/2) of their enrollment in
34 any session for residents of the enterprise zone.

35 (h) After each general reassessment under IC 6-1.1-4, the
36 department of local government finance shall adjust the base
37 assessed value one (1) time to neutralize any effect of the general
38 reassessment on the property tax proceeds allocated to the military
39 base development district under this section. However, the
40 adjustment may not include the effect of property tax abatements
41 under IC 6-1.1-12.1, and the adjustment may not produce less
42 property tax proceeds allocable to the military base development
43 district under subsection (b)(2) than would otherwise have been
44 received if the general reassessment had not occurred. The
45 department of local government finance may prescribe procedures
46 for county and township officials to follow to assist the department
47 in making the adjustments.

48 Sec. 31. (a) As used in this section, "depreciable personal
49 property" refers to:

50 (1) all or any part of the designated taxpayer's depreciable
51 personal property that is located in the allocation area; and

1 (2) all or any part of the other depreciable property located
 2 and taxable on the designated taxpayer's site of operations
 3 within the allocation area;
 4 that is designated as depreciable personal property for purposes of
 5 this section by the development authority in a declaratory
 6 resolution adopted or amended under section 16 or 18 of this
 7 chapter.

8 (b) As used in this section, "designated taxpayer" means a
 9 taxpayer designated by the development authority in a declaratory
 10 resolution adopted or amended under section 16 or 18 of this
 11 chapter, and with respect to which the development authority finds
 12 that taxes to be derived from the depreciable personal property in
 13 the allocation area, in excess of the taxes attributable to the base
 14 assessed value of the personal property, are needed to pay debt
 15 service or provide security for bonds issued or to be issued under
 16 section 23 of this chapter or make payments or provide security on
 17 leases payable or to be payable under section 24 of this chapter in
 18 order to provide local public improvements or structures for a
 19 particular allocation area.

20 (c) The allocation provision of a declaratory resolution may
 21 modify the definition of "property taxes" under section 30(a) of
 22 this chapter to include taxes imposed under IC 6-1.1 on the
 23 depreciable personal property located and taxable on the site of
 24 operations of the designated taxpayers in accordance with the
 25 procedures and limitations set forth in this section and section 30
 26 of this chapter. If a modification is included in the resolution, for
 27 purposes of section 30 of this chapter, the term "base assessed
 28 value" with respect to the depreciable personal property means the
 29 net assessed value of all the depreciable personal property as finally
 30 determined for the assessment date immediately preceding the
 31 adoption date of the modification, as adjusted under section 30(b)
 32 of this chapter.

33 Sec. 32. (a) As used in this section, "allocation area" has the
 34 meaning set forth in section 30 of this chapter.

35 (b) As used in this section, "taxing district" has the meaning set
 36 forth in IC 6-1.1-1-20.

37 (c) Subject to subsection (e) and except as provided in subsection
 38 (h), each taxpayer in an allocation area is entitled to an additional
 39 credit for taxes (as defined in IC 6-1.1-21-2) that under
 40 IC 6-1.1-22-9 are due and payable in May and November of that
 41 year. Except as provided in subsection (h), one-half (1/2) of the
 42 credit shall be applied to each installment of taxes (as defined in
 43 IC 6-1.1-21-2). This credit equals the amount determined under the
 44 following STEPS for each taxpayer in a taxing district that contains
 45 all or part of the allocation area:

46 STEP ONE: Determine that part of the sum of the amounts
 47 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 48 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5)
 49 that is attributable to the taxing district.

50 STEP TWO: Divide:

51 (A) that part of each county's eligible property tax

1 replacement amount (as defined in IC 6-1.1-21-2) for that
 2 year as determined under IC 6-1.1-21-4 that is attributable
 3 to the taxing district; by
 4 (B) the STEP ONE sum.
 5 **STEP THREE: Multiply:**
 6 (A) the STEP TWO quotient; by
 7 (B) the total amount of the taxpayer's taxes (as defined in
 8 IC 6-1.1-21-2) levied in the taxing district that would have
 9 been allocated to an allocation fund under section 30 of this
 10 chapter had the additional credit described in this section not
 11 been given.

12 **The additional credit reduces the amount of proceeds allocated to**
 13 **the military base development district and paid into an allocation**
 14 **fund under section 30(b)(2) of this chapter.**

15 (d) **If the additional credit under subsection (c) is not reduced**
 16 **under subsection (e) or (f), the credit for property tax replacement**
 17 **under IC 6-1.1-21-5 and the additional credit under subsection (c)**
 18 **shall be computed on an aggregate basis for all taxpayers in a**
 19 **taxing district that contains all or part of an allocation area. The**
 20 **credit for property tax replacement under IC 6-1.1-21-5 and the**
 21 **additional credit under subsection (c) shall be combined on the tax**
 22 **statements sent to each taxpayer.**

23 (e) **Upon the recommendation of the development authority, the**
 24 **municipal legislative body of an affected municipality or the county**
 25 **executive of an affected county may by resolution provide that the**
 26 **additional credit described in subsection (c):**

27 (1) **does not apply in a specified allocation area; or**
 28 (2) **is to be reduced by a uniform percentage for all taxpayers**
 29 **in a specified allocation area.**

30 (f) **If the municipal legislative body or county executive**
 31 **determines that granting the full additional credit under subsection**
 32 **(c) would adversely affect the interests of the holders of bonds or**
 33 **other contractual obligations that are payable from allocated tax**
 34 **proceeds in that allocation area in a way that would create a**
 35 **reasonable expectation that those bonds or other contractual**
 36 **obligations would not be paid when due, the municipal legislative**
 37 **body or county executive must adopt a resolution under subsection**
 38 **(e) to deny the additional credit or reduce the credit to a level that**
 39 **creates a reasonable expectation that the bonds or other obligations**
 40 **will be paid when due. A resolution adopted under subsection (e)**
 41 **denies or reduces the additional credit for property taxes first due**
 42 **and payable in the allocation area in any year following the year in**
 43 **which the resolution is adopted.**

44 (g) **A resolution adopted under subsection (e) remains in effect**
 45 **until rescinded by the body that originally adopted the resolution.**
 46 **However, a resolution may not be rescinded if the rescission would**
 47 **adversely affect the interests of the holders of bonds or other**
 48 **obligations that are payable from allocated tax proceeds in that**
 49 **allocation area in a way that would create a reasonable expectation**
 50 **that the principal of or interest on the bonds or other obligations**
 51 **would not be paid when due. If a resolution is rescinded and no**

1 other resolution is adopted, the additional credit described in
 2 subsection (c) applies to property taxes first due and payable in the
 3 allocation area in each year following the year in which the
 4 resolution is rescinded.

5 (h) This subsection applies to an allocation area only to the extent
 6 that the net assessed value of property that is assessed as residential
 7 property under the rules of the department of local government
 8 finance is not included in the base assessed value. If property tax
 9 installments with respect to a homestead (as defined in
 10 IC 6-1.1-20.9-1) are due in installments established by the
 11 department of local government finance under IC 6-1.1-22-9.5,
 12 each taxpayer subject to those installments in an allocation area is
 13 entitled to an additional credit under subsection (c) for the taxes (as
 14 defined in IC 6-1.1-21-2) due in installments. The credit shall be
 15 applied in the same proportion to each installment of taxes (as
 16 defined in IC 6-1.1-21-2).

17 Sec. 33. Notwithstanding any other law, utility services provided
 18 within the military base development district are subject to
 19 regulation by the appropriate regulatory agencies unless the utility
 20 service is provided by a utility that provides utility service solely
 21 within the geographic boundaries of an existing or a closed military
 22 installation by a utility facility in existence and operating on July
 23 1, 1995, in which case the utility service is not subject to regulation
 24 for purposes of rate making, regulation, service delivery, or
 25 issuance of bonds or other forms of indebtedness. However, this
 26 exemption from regulation does not apply to utility service if the
 27 service is generated, treated, or produced outside the boundaries
 28 of the existing or closed military installation.

29 Sec. 34. (a) As used in this section, the following terms have the
 30 meanings set forth in IC 6-1.1-1:

- 31 (1) Assessed value.
- 32 (2) Owner.
- 33 (3) Person.
- 34 (4) Personal property.
- 35 (5) Property taxation.
- 36 (6) Tangible property.
- 37 (7) Township assessor.

38 (b) As used in this section, "PILOTS" means payments in lieu of
 39 taxes.

40 (c) The general assembly finds the following:

- 41 (1) That the closing of a military base in a unit results in an
 42 increased cost to the unit of providing governmental services to
 43 the area formerly occupied by the military base.
- 44 (2) That military base property held by a development
 45 authority is exempt from property taxation, resulting in the
 46 lack of an adequate tax base to support the increased
 47 governmental services.
- 48 (3) That to restore this tax base and provide a proper allocation
 49 of the cost of providing governmental services the fiscal body
 50 of the unit should be authorized to collect PILOTS from the
 51 development authority.

1 **(4) That the appropriate maximum PILOTS would be the**
2 **amount of the property taxes that would be paid if the tangible**
3 **property were not exempt.**

4 **(d) The fiscal body of the unit may adopt an ordinance to require**
5 **a development authority to pay PILOTS at times set forth in the**
6 **ordinance with respect to tangible property of which the**
7 **development authority is the owner or the lessee and that is exempt**
8 **from property taxes. The ordinance remains in full force and effect**
9 **until repealed or modified by the fiscal body.**

10 **(e) The PILOTS must be calculated so that the PILOTS do not**
11 **exceed the amount of property taxes that would have been levied**
12 **by the fiscal body for the unit upon the tangible property described**
13 **in subsection (d) if the property were not exempt from property**
14 **taxation.**

15 **(f) PILOTS shall be imposed as are property taxes and shall be**
16 **based on the assessed value of the tangible property described in**
17 **subsection (d). The township assessors shall assess the tangible**
18 **property described in subsection (d) as though the property were**
19 **not exempt. The development authority shall report the value of**
20 **personal property in a manner consistent with IC 6-1.1-3.**

21 **(g) Notwithstanding any other law, a development authority is**
22 **authorized to pay PILOTS imposed under this section from any**
23 **legally available source of revenues. The development authority**
24 **may consider these payments to be operating expenses for all**
25 **purposes.**

26 **(h) PILOTS shall be deposited in the general fund of the unit and**
27 **used for any purpose for which the general fund may be used.**

28 **(i) PILOTS shall be due as set forth in the ordinance and bear**
29 **interest, if unpaid, as in the case of other taxes on property.**
30 **PILOTS shall be treated in the same manner as property taxes for**
31 **purposes of all procedural and substantive provisions of law.**

32 **Sec. 35. (a) Notwithstanding any other law, a development**
33 **authority may:**

34 **(1) impose conditions on the development of any property in a**
35 **development area; and**

36 **(2) require the payment of development fees or other fees by**
37 **private persons to pay, defray, or mitigate the costs of the**
38 **construction, operation, and maintenance of infrastructure that**
39 **is required or needed to serve the development, redevelopment,**
40 **and reuse of property within the development area.**

41 **(b) Before a development authority may impose conditions under**
42 **subsection (a)(1), the development authority shall adopt a written**
43 **resolution finding that the conditions to be imposed are:**

44 **(1) necessary to carry out at least one (1) of the purposes of this**
45 **chapter; and**

46 **(2) reasonably related in nature and extent to the impact upon**
47 **the development, redevelopment, and reuse of the property**
48 **upon which the conditions are imposed.**

49 **(c) Before a development authority may impose fees under**
50 **subsection (a)(2), the development authority shall adopt a written**
51 **resolution finding that:**

1 **(1) the infrastructure for which the fees are to be imposed is**
 2 **necessary to carry out at least one (1) of the purposes of this**
 3 **chapter and is required or needed to serve the development,**
 4 **redevelopment, and reuse of the property within the**
 5 **development area; and**

6 **(2) the fees to be imposed are reasonably related in nature and**
 7 **extent to the impact upon the infrastructure attributable to the**
 8 **development, redevelopment, and reuse of the property within**
 9 **the development area upon which the fees are imposed.**

10 **(d) Conditions imposed under subsection (a)(1) must be approved**
 11 **by the plan commission of the unit or other body responsible for**
 12 **developing a general plan for the unit. To approve the conditions,**
 13 **the plan commission or other body shall adopt a written resolution**
 14 **making the same findings required to be made by the development**
 15 **authority under subsection (b).**

16 **(e) Fees imposed under subsection (a)(2) must be deposited in the**
 17 **appropriate fund of the unit responsible for constructing,**
 18 **operating, and maintaining the particular infrastructure for which**
 19 **the fee has been imposed.**

20 **Sec. 36. A person who knowingly:**

21 **(1) applies any money raised under this chapter to any purpose**
 22 **other than those permitted by this chapter; or**

23 **(2) fails to follow the voucher and warrant procedure**
 24 **prescribed by this chapter in expending any money raised**
 25 **under this chapter;**

26 **commits a Class C felony.**

27 SECTION 12. IC 36-7-32-10, AS AMENDED BY P.L.4-2005,
 28 SECTION 143, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2005]: Sec. 10. **(a)** A unit may apply to the
 30 Indiana economic development corporation for designation of all or part
 31 of the territory within the jurisdiction of the unit's redevelopment
 32 commission as a certified technology park and to enter into an
 33 agreement governing the terms and conditions of the designation. The
 34 application must be in a form specified by the Indiana economic
 35 development corporation and must include information the corporation
 36 determines necessary to make the determinations required under section
 37 11 of this chapter.

38 **(b) This subsection applies only to a unit in which a certified**
 39 **technology park designated before January 1, 2005, is located. A**
 40 **unit may apply to the Indiana economic development corporation**
 41 **for permission to expand the unit's certified technology park to**
 42 **include territory that is adjacent to the unit's certified technology**
 43 **park but located in another county. The corporation shall grant the**
 44 **unit permission to expand the certified technology park if the unit**
 45 **and the redevelopment commission having jurisdiction over the**
 46 **adjacent territory approve the proposed expansion in a resolution.**
 47 **A certified copy of each resolution approving the proposed**
 48 **expansion must be attached to the application submitted under this**
 49 **subsection.**

50 SECTION 13. IC 36-7-32-23 IS AMENDED TO READ AS
 51 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. **(a)** Each

1 redevelopment commission that establishes a certified technology park
 2 under this chapter shall establish a certified technology park fund to
 3 receive:

4 (1) property tax proceeds allocated under section 17 of this chapter;
 5 and

6 (2) money distributed to the redevelopment commission under
 7 section 22 of this chapter.

8 (b) Money deposited in the certified technology park fund may be
 9 used by the redevelopment commission only for one (1) or more of the
 10 following purposes:

11 (1) Acquisition, improvement, preparation, demolition, disposal,
 12 construction, reconstruction, remediation, rehabilitation,
 13 restoration, preservation, maintenance, repair, furnishing, and
 14 equipping of public facilities.

15 (2) Operation of public facilities described in section 9(2) of this
 16 chapter.

17 (3) Payment of the principal of and interest on any obligations that
 18 are payable solely or in part from money deposited in the fund and
 19 that are incurred by the redevelopment commission for the purpose
 20 of financing or refinancing the development of public facilities in
 21 the certified technology park.

22 (4) Establishment, augmentation, or restoration of the debt service
 23 reserve for obligations described in subdivision (3).

24 (5) Payment of the principal of and interest on bonds issued by the
 25 unit to pay for public facilities in or serving the certified
 26 technology park.

27 (6) Payment of premiums on the redemption before maturity of
 28 bonds described in subdivision (3).

29 (7) Payment of amounts due under leases payable from money
 30 deposited in the fund.

31 (8) Reimbursement to the unit for expenditures made by it for
 32 public facilities in or serving the certified technology park.

33 (9) Payment of expenses incurred by the redevelopment
 34 commission for public facilities that are in the certified technology
 35 park or serving the certified technology park.

36 **(10) For any purpose authorized by an agreement between**
 37 **redevelopment commissions entered into under section 26 of**
 38 **this section.**

39 (c) The certified technology park fund may not be used for operating
 40 expenses of the redevelopment commission.

41 SECTION 14. IC 36-7-32-26 IS ADDED TO THE INDIANA CODE
 42 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 43 JULY 1, 2005]: **Sec. 26. (a) Two (2) or more redevelopment**
 44 **commissions may enter into a written agreement under this section**
 45 **to jointly undertake economic development projects in the certified**
 46 **technology parks established by the redevelopment commissions**
 47 **that are parties to the agreement.**

48 **(b) A party to an agreement under this section may do one (1) or**
 49 **more of the following:**

50 **(1) Except as provided in subsection (c), grant one (1) or more**
 51 **of its powers to another party to the agreement.**

1 (2) Exercise any power granted to it by a party to the
2 agreement.

3 (3) Pledge any of its revenues, including taxes or allocated taxes
4 under section 17 of this chapter, to the bonds or lease rental
5 obligations of another party to the agreement under
6 IC 5-1-14-4.

7 (c) A redevelopment commission may not grant to another
8 redevelopment commission the power to tax or to establish an
9 allocation area under this chapter.

10 (d) An action to challenge the validity of an agreement under this
11 section must be brought not more than thirty (30) days after the
12 agreement has been approved by all the parties to the agreement.
13 After that period has passed, the agreement is not contestable for
14 any cause.

15 SECTION 15. IC 36-7-32-27 IS ADDED TO THE INDIANA CODE
16 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2005]: **Sec. 27. An agreement described in section 26 of this
18 chapter must provide for the following:**

19 (1) The duration of the agreement.

20 (2) The purpose of the agreement.

21 (3) The manner of financing, staffing, and supplying the joint
22 undertaking and of establishing and maintaining a budget for
23 the joint undertaking.

24 (4) The methods that may be employed in accomplishing the
25 partial or complete termination of the agreement and for
26 disposing of property upon partial or complete termination of
27 the agreement.

28 (5) The manner of acquiring, holding, and disposing of real and
29 personal property used in the joint undertaking.

30 (6) Any other appropriate matters.

31 SECTION 16. IC 36-7-34 IS ADDED TO THE INDIANA CODE
32 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
33 JANUARY 1, 2006]:

34 **Chapter 34. Qualified Military Base Enhancement Area**

35 **Sec. 1. "Area" refers to a qualified military base enhancement
36 area established by this chapter.**

37 **Sec. 2. As used in this chapter, "technology park" refers to a
38 certified technology park established under IC 36-7-32.**

39 **Sec. 3. "Qualified military base" means a United States
40 government military installation that:**

41 (1) has an area of at least sixty thousand (60,000) acres; and

42 (2) is used for the design, construction, maintenance, and
43 testing of electronic devices and ordnance.

44 **Sec. 4. A qualified military base enhancement area is established
45 for each technology park located within a radius of five (5) miles of
46 a qualified military base. The geographic area of the qualified
47 military base enhancement area is the geographic area of the
48 technology park.**

49 **Sec. 5. The department of commerce shall do the following:**

50 (1) Coordinate area development activities.

51 (2) Serve as a catalyst for area development.

1 **(3) Promote each area to outside groups and individuals.**

2 **(4) Establish a formal line of communication with businesses in**
 3 **each area.**

4 **(5) Act as a liaison between businesses and local governments**
 5 **for any development activity that may affect each area.**

6 **(6) Act as a liaison between each area and residents of nearby**
 7 **communities.**

8 SECTION 17. [EFFECTIVE JULY 1, 2005] **(a) The counties served**
 9 **by the Eastern Indiana Economic Development District comprise**
 10 **an area that:**

11 **(1) is at a competitive disadvantage for economic development**
 12 **due to the area's rural character;**

13 **(2) faces unique challenges because the area borders another**
 14 **state;**

15 **(3) consistently ranks among the highest areas in**
 16 **unemployment in Indiana; and**

17 **(4) is served by an interstate highway and rail infrastructure**
 18 **that is well suited for the development of a proposed global**
 19 **commerce center.**

20 **(b) These special circumstances require legislation particular to**
 21 **the counties.**

22 SECTION 18. [EFFECTIVE JANUARY 1, 2006] **(a) IC 6-2.5-4-5,**
 23 **as amended by this act, applies to services or commodities sold**
 24 **after December 31, 2005, to a business located in a qualified**
 25 **military base enhancement area established under IC 36-7-34, as**
 26 **added by this act.**

27 **(b) IC 6-3-2-1.5, as amended by this act, applies to taxable years**
 28 **beginning after December 31, 2005.**

29 **(c) IC 6-3.1-11.6-2 and IC 6-3.1-11.6-9, both as amended by this**
 30 **act, apply to taxable years beginning after December 31, 2005.**

31 SECTION 19. [EFFECTIVE JULY 1, 2005] **(a) The department of**
 32 **environmental management shall give priority to permit**
 33 **applications that concern:**

34 **(1) current or former United States government military bases**
 35 **or other military installations; and**

36 **(2) the destruction, reclamation, recycling, reprocessing, or**
 37 **demilitarization of ordnance and other explosive materials.**

38 **(b) This SECTION expires July 1, 2008.**

39 SECTION 20. **An emergency is declared for this act.**

(Reference is to ESB 571 as printed April 1, 2005.)

Conference Committee Report
on
Engrossed Senate Bill 571

Signed by:

Senator Ford
Chairperson

Representative Koch

Senator Simpson

Representative Crooks

Senate Conferees

House Conferees