

SENATE BILL No. 571

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-7.

Synopsis: Multi-jurisdictional economic development. Authorizes various economic development entities to enter into written agreements for jointly undertaken economic development projects.

Effective: July 1, 2005.

Simpson

January 20, 2005, read first time and referred to Committee on Economic Development and Technology.

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PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

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SENATE BILL No. 571



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

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

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

4 (1) A city having a population of more than ninety thousand
 5 (90,000) but less than one hundred five thousand (105,000);
 6 (2) A county having a population of more than one hundred five
 7 thousand (105,000) but less than one hundred ten thousand
 8 (110,000);
 9 (3) A county having a population of more than three hundred
 10 thousand (300,000) but less than four hundred thousand
 11 (400,000);

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

17 ~~(c)~~ (b) Notwithstanding section 2 of this chapter, two (2) or more



1 economic development entities may enter into a written agreement
2 under section 3 of this chapter if the agreement is requested by the
3 executive of a city or county described in subsection (a) and if the
4 agreement is approved by each entity's governing body. and by the
5 executive of a city or county described in subsection (a).

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

- 8 (1) Except as provided in subsection ~~(e)~~, (d), grant one (1) or
9 more of its powers to another party to the agreement.
- 10 (2) Exercise any power granted to it by a party to the agreement.
- 11 (3) Pledge any of its revenues, including taxes or allocated taxes
12 under IC 36-7-14, **IC 36-7-15.1**, or IC 8-22-3.5, to the bonds or
13 lease rental obligations of another party to the agreement under
14 IC 5-1-14-4.

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

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

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

24 SECTION 2. IC 36-7-13-4 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) To provide
26 money for the purposes set forth in section 3 of this chapter, the unit
27 shall create a special revolving fund to be known as the industrial
28 development fund, into which any available and unappropriated money
29 of the unit may be transferred by the unit's legislative body.

30 (b) The legislative body may also by ordinance levy a tax not to
31 exceed one and sixty-seven hundredths cents (\$0.0167) on each one
32 hundred dollars (\$100) of assessed value of all personal and real
33 property within its jurisdiction. The proceeds of this tax shall be
34 deposited in the industrial development fund. The unit may collect the
35 tax as other municipal or county taxes are collected, or may set up a
36 system for the collection and enforcement of the tax in the unit. ~~The~~
37 ~~proceeds of the tax~~ **Money in the industrial development fund** may
38 be used for any purpose authorized by this chapter and may be pledged
39 for the payment of principal and interest on bonds or other ~~obligation~~
40 **obligations** issued under this chapter.

41 SECTION 3. IC 36-7-13-21 IS ADDED TO THE INDIANA CODE
42 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

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1 1, 2005]: **Sec. 21. (a) Two (2) or more:**
 2 (1) **advisory commissions; or**
 3 (2) **legislative bodies;**
 4 **or any combination of advisory commissions and legislative bodies**
 5 **may enter into a written agreement under this section to jointly**
 6 **undertake economic development projects.**

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

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

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

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

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

19 (d) **An action to challenge the validity of an agreement under**
 20 **this section must be brought not more than thirty (30) days after**
 21 **the agreement has been approved by all the parties to the**
 22 **agreement. After that period has passed, the agreement is not**
 23 **contestable for any cause.**

24 SECTION 4. IC 36-7-13-22 IS ADDED TO THE INDIANA CODE
 25 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 26 1, 2005]: **Sec. 22. An agreement described in section 21 of this**
 27 **chapter must provide for the following:**

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

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

30 (3) **The manner of financing, staffing, and supplying the joint**
 31 **undertaking and of establishing and maintaining a budget for**
 32 **the joint undertaking.**

33 (4) **The methods that may be employed in accomplishing the**
 34 **partial or complete termination of the agreement and for**
 35 **disposing of property upon partial or complete termination of**
 36 **the agreement.**

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

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

40 SECTION 5. IC 36-7-32-23 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 23. (a) Each**
 42 **redevelopment commission that establishes a certified technology park**

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1 under this chapter shall establish a certified technology park fund to
2 receive:

- 3 (1) property tax proceeds allocated under section 17 of this
- 4 chapter; and
- 5 (2) money distributed to the redevelopment commission under
- 6 section 22 of this chapter.

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

- 10 (1) Acquisition, improvement, preparation, demolition, disposal,
- 11 construction, reconstruction, remediation, rehabilitation,
- 12 restoration, preservation, maintenance, repair, furnishing, and
- 13 equipping of public facilities.
- 14 (2) Operation of public facilities described in section 9(2) of this
- 15 chapter.
- 16 (3) Payment of the principal of and interest on any obligations
- 17 that are payable solely or in part from money deposited in the
- 18 fund and that are incurred by the redevelopment commission for
- 19 the purpose of financing or refinancing the development of public
- 20 facilities in the certified technology park.
- 21 (4) Establishment, augmentation, or restoration of the debt service
- 22 reserve for obligations described in subdivision (3).
- 23 (5) Payment of the principal of and interest on bonds issued by the
- 24 unit to pay for public facilities in or serving the certified
- 25 technology park.
- 26 (6) Payment of premiums on the redemption before maturity of
- 27 bonds described in subdivision (3).
- 28 (7) Payment of amounts due under leases payable from money
- 29 deposited in the fund.
- 30 (8) Reimbursement to the unit for expenditures made by it for
- 31 public facilities in or serving the certified technology park.
- 32 (9) Payment of expenses incurred by the redevelopment
- 33 commission for public facilities that are in the certified
- 34 technology park or serving the certified technology park.
- 35 **(10) For any purpose authorized by an agreement between**
- 36 **redevelopment commissions entered into under section 26 of**
- 37 **this section.**

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

40 SECTION 6. IC 36-7-32-26 IS ADDED TO THE INDIANA CODE
41 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
42 1, 2005]: **Sec. 26. (a) Two (2) or more redevelopment commissions**

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1 may enter into a written agreement under this section to jointly
2 undertake economic development projects in the certified
3 technology parks established by the redevelopment commissions
4 that are parties to the agreement.

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

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

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

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

15 (c) A redevelopment commission may not grant to another
16 redevelopment commission the power to tax or to establish an
17 allocation area under this chapter.

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

23 SECTION 7. IC 36-7-32-27 IS ADDED TO THE INDIANA CODE
24 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
25 1, 2005]: Sec. 27. An agreement described in section 26 of this
26 chapter must provide for the following:

27 (1) The duration of the agreement.

28 (2) The purpose of the agreement.

29 (3) The manner of financing, staffing, and supplying the joint
30 undertaking and of establishing and maintaining a budget for
31 the joint undertaking.

32 (4) The methods that may be employed in accomplishing the
33 partial or complete termination of the agreement and for
34 disposing of property upon partial or complete termination of
35 the agreement.

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

38 (6) Any other appropriate matters.

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