



February 11, 2005

SENATE BILL No. 135

DIGEST OF SB135 (Updated February 9, 2005 10:55 am - DI ta)

Citations Affected: IC 4-12.

Synopsis: State property. Authorizes the budget director, after an advisory recommendation of the budget committee and approval of the governor, to dispose of any asset of the state or a body corporate and politic on any basis or terms and at any price the budget director determines is fiscally prudent and reasonable.

Effective: Upon passage.

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January 4, 2005, read first time and referred to Committee on Rules and Legislative Procedure.
February 10, 2005, amended; reassigned to Committee on Appropriations.

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February 11, 2005

First Regular Session 114th General Assembly (2005)

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. 135

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

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

1 SECTION 1. IC 4-12-13 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
3 PASSAGE]:

4 **Chapter 13. Sale of State Assets**

5 **Sec. 1. This chapter applies to the disposition of an asset**
6 **notwithstanding any other law.**

7 **Sec. 2. As used in this chapter, "asset" refers to any real or**
8 **personal property owned by an entity.**

9 **Sec. 3. As used in this chapter, "disposition" refers to a sale, a**
10 **lease, an installment sale, a transfer, a management or operation**
11 **contract, or any other agreement governing, transferring, or**
12 **pertaining to an asset.**

13 **Sec. 4. As used in this chapter, "entity" refers to either of the**
14 **following:**

15 (1) A state agency.

16 (2) A body corporate and politic established by statute.

17 **Sec. 5. As used in this chapter, "obligation" refers to any of the**

SB 135—LS 6720/DI 13+



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following:

- (1) A bond.**
- (2) A contract.**
- (3) A lease.**
- (4) A note.**
- (5) Any other obligation that provides for the payment of a debt.**

Sec. 6. As used in this chapter, "person" refers to any of the following:

- (1) An individual.**
- (2) A corporation.**
- (3) A general or limited partnership.**
- (4) A joint venture.**
- (5) A limited liability company.**
- (6) A nonprofit organization.**
- (7) A political subdivision (as defined in IC 36-1-2-13).**
- (8) A state educational institution (as defined in IC 20-12-0.5-1).**
- (9) An entity.**

Sec. 7. As used in this chapter, "state agency" has the meaning set forth in IC 4-13-1-1(b).

Sec. 8. (a) The budget director's exercise of powers under this section is subject to both of the following:

- (1) An advisory recommendation by the budget committee.**
- (2) Approval of the governor.**

(b) Notwithstanding any other law, but subject to subsection (a), the budget director may provide for the disposition of an asset:

- (1) on any basis or terms; and**
- (2) at any price;**

the budget director determines is fiscally prudent and reasonable.

(c) The budget director's determination to convey an asset must:

- (1) be in writing; and**
- (2) include consideration of the commercial value of the asset to be conveyed.**

The value of the asset may be determined by any method that is commercially reasonable.

(d) The budget director may request proposals from persons as to the conveyance of an asset.

(e) The budget director has all powers necessary, convenient, appropriate, or desirable to implement this chapter, even if a power is not specifically granted by statute.

(f) The powers granted to the budget director under this chapter

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1 are supplemental to the powers otherwise granted to the budget
 2 director or an entity relating to the conveyance of an asset.
 3 Sec. 9. The budget director, in exercising the powers and
 4 carrying out the duties under this chapter, may not take an action
 5 that would impair any obligation of an entity.
 6 Sec. 10. The general assembly covenants and agrees with the
 7 holders or owners of an obligation issued under any statute by an
 8 entity that while any of the obligations are outstanding and unpaid,
 9 the budget director may not make a conveyance under this chapter
 10 to impair, and the state will not in any way impair, the rights and
 11 remedies of the holders or owners of the obligations until:
 12 (1) the obligations;
 13 (2) any interest on the obligations;
 14 (3) interest on an unpaid installment of interest; and
 15 (4) all costs and expenses relating to any action or proceedings
 16 by or on behalf of the holders or owners of the obligations;
 17 are fully paid, met, and discharged.
 18 SECTION 2. An emergency is declared for this act.

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COMMITTEE REPORT

Madam President: The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 135, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

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

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 135 as introduced.)

GARTON, Chairperson

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