

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1174 be amended to read as follows:

- 1 Page 1, strike line 13.
- 2 Page 2, line 31, strike "However, the disposing agent may sell the
- 3 property".
- 4 Page 2, strike lines 32 through 33.
- 5 Page 2, line 34, strike "accordance with subsection (c)".
- 6 Page 3, between lines 18 and 19, begin a new paragraph and insert:
- 7 **"(i) The disposing agent may dispose of the real property for a**
- 8 **value that is less than ninety percent (90%) of the average of the**
- 9 **two (2) appraisals only after holding a public hearing with notice**
- 10 **given in accordance with IC 5-3-1. Following the public hearing,**
- 11 **bids may be rejected or the property may be sold to the highest and**
- 12 **best bidder.**
- 13 SECTION 2. IC 36-1-11-4.2 IS AMENDED TO READ AS
- 14 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4.2. (a) This section
- 15 applies to a disposing agent who wants to sell or transfer real property
- 16 not acquired through eminent domain procedures for any of the
- 17 following purposes:
- 18 (1) To promote an economic development project.
- 19 (2) To facilitate compatible land use planning.
- 20 (b) The disposing agent shall first have the property appraised by
- 21 two (2) appraisers. The appraisers must be:
- 22 (1) professionally engaged in making appraisals;
- 23 (2) licensed under IC 25-34.1; or
- 24 (3) employees of the political subdivision familiar with the value

1 of the property.

2 The appraisers shall make a joint appraisal of the property:

3 (c) **Except as provided in subsection (d)**, the disposing agent may:

4 (1) negotiate a sale or transfer; and

5 (2) dispose of the real property;

6 at a value that is not less than the appraised value determined under
7 subsection (b).

8 **(d) The disposing agent may dispose of the real property for a**
9 **value that is less than the average of the two (2) appraisals**
10 **determined under subsection (b) only after holding a public**
11 **hearing with notice given in accordance with IC 5-3-1. Following**
12 **the public hearing, bids may be rejected or the property may be**
13 **sold to the highest and best bidder."**

14 Page 5, after line 13, begin a new paragraph and insert:

15 "SECTION 4. IC 36-1-11-10 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. (a) A disposing
17 agent may lease property rather than sell, transfer, or exchange it under
18 this chapter only if the disposing agent determines that a lease rather
19 than a sale, transfer, or exchange would be in the best interest of the
20 disposing agent's political subdivision or agency and the public. Except
21 as provided in section 12 of this chapter, the disposing agent must
22 proceed under this section in leasing property.

23 (b) The disposing agent shall first have the property appraised in the
24 manner prescribed in section 4(b) of this chapter, except that the
25 appraisers shall determine the fair market rental value of the property.

26 (c) The disposing agent shall receive bids in the manner prescribed
27 in section 4 of this chapter and lease the property to the highest and
28 best bidder. ~~However, the disposing agent may lease the property for~~
29 ~~less than ninety percent (90%) of the appraised fair market rental value~~
30 ~~only after having an additional notice of the lease published in~~
31 ~~accordance with section 4(c) of this chapter. **The disposing agent may**~~
32 ~~**reject all bids.**~~

33 (d) The disposing agent shall determine the terms and conditions of
34 any lease under this section, which may include options to renew and
35 options to purchase. The property may not be leased to a person who
36 is ineligible under section 16 of this chapter.

37 (e) The terms of a lease with option to purchase may provide that all
38 or part of the rental payments under the lease apply to the purchase
39 price. **Except as provided in subsection (g)**, the purchase price must
40 be equal to at least the minimum sale price determined under section
41 ~~4(f)~~ **4(i)** of this chapter.

42 (f) Property owned by a political subdivision or agency may be
43 leased for a term longer than three (3) years if the lease is approved by
44 the fiscal body of the political subdivision.

45 **(g) The disposing agent may dispose of the real property under**
46 **this section for a value that is less than ninety percent (90%) of the**

1 **average of the two (2) appraisals determined under subsection (b)**
2 **only after holding a public hearing with notice given in accordance**
3 **with IC 5-3-1. Following the public hearing, bids may be rejected**
4 **or the property may be disposed of to the highest and best bidder.".**

5 Renumber all SECTIONS consecutively.
 (Reference is to HB 1174 as printed February 11, 2011.)

Representative Steuerwald