

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WITHDRAWN	Noes _____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

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 173 be amended to read as follows:

- 1 Page 2, between lines 24 and 25, begin a new paragraph and insert:
2 "SECTION 2. IC 8-22-2-18.5 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 18.5. (a) The board
4 may negotiate terms and borrow money from any source for the
5 payment of the costs of airport capital improvements, including the
6 acquisition of real property or construction or improvement of revenue
7 producing buildings or facilities located on an airport and owned and
8 operated by the eligible entity, subject to the following requirements:
9 (1) The loan contract must be approved by resolution of the board
10 and the fiscal body of the eligible entity that established the
11 board.
12 (2) The loan contract must provide for the repayment of the loan
13 in not more than forty (40) years.
14 (3) The loan contract must state that the indebtedness is that of
15 the board, is payable solely from revenues of the board that are
16 derived from either airport operations or from revenue bonds, and
17 may not be paid by a tax levied on property located within the
18 district.
19 (4) The loan contract must be submitted to the department of local
20 government finance, which may approve, disapprove, or reduce
21 the amount of the proposed loan contract. The department of local
22 government finance must make a decision on the loan contract
23 within thirty (30) days after the contract is submitted for review.
24 The action taken by the department of local government finance

1 on the proposed loan contract is final.

2 (b) A loan contract issued under this chapter is issued for essential
3 public and governmental purposes. A loan contract, the interest on the
4 contract, the proceeds received by a holder from the sale of a loan
5 contract to the extent of the holder's cost of acquisition, proceeds
6 received upon redemption before maturity, proceeds received at
7 maturity, and the receipt of the interest and proceeds are exempt from
8 taxation as provided in IC 6-8-5.

9 **(c) After a board enters into a loan contract, the board may use**
10 **funds received from state or federal grants to satisfy the**
11 **repayment of part or all of the loan contract."**

12 Page 3, after line 22, begin a new paragraph and insert:

13 "SECTION 4. IC 8-22-3-19 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 19. (a) Temporary
15 loans may be made by the board in anticipation of the collection of
16 taxes of the authority actually levied and in course of collection for the
17 fiscal year in which the loans are made. The loans must be authorized
18 by ordinance and evidenced by warrants in the form provided by the
19 authorizing ordinance. The warrants must state the total amount of the
20 issue, the denomination of the warrant, the time and place payable, the
21 rate of interest, the funds in anticipation of which they are issued and
22 out of which they are payable, and a reference to the ordinance
23 authorizing them and the date of its adoption. The ordinance
24 authorizing temporary loans must appropriate and pledge a sufficient
25 amount of the current revenue in anticipation of which they are issued
26 and out of which they are payable. The warrants evidencing the
27 temporary loans must be executed, sold, and delivered as are bonds of
28 the authority.

29 (b) The board may negotiate terms and borrow money from any
30 source under a loan contract, subject to the following requirements:

31 (1) The loan contract must be approved by resolution of the board.

32 (2) The loan contract must provide for the repayment of the loan
33 in not more than forty (40) years.

34 (3) The loan contract must state that the indebtedness is that of
35 the authority, is payable solely from revenues of the authority that
36 are derived from either airport operations or from revenue bonds,
37 and may not be paid by a tax levied on property located within the
38 district.

39 (4) The loan contract must be submitted to the department of local
40 government finance, which may approve, disapprove, or reduce
41 the amount of the proposed loan contract. The department of local
42 government finance must make a decision on the loan contract
43 within thirty (30) days after it is submitted for review. The action
44 taken by the department of local government finance on the
45 proposed loan contract is final.

46 (c) Any loan contract issued under this chapter is issued for

1 essential public and governmental purposes. A loan contract, the
2 interest on it, the proceeds received by a holder from the sale of a loan
3 contract to the extent of the holder's cost of acquisition, proceeds
4 received upon redemption before maturity, proceeds received at
5 maturity, and the receipt of the interest and proceeds are exempt from
6 taxation as provided in IC 6-8-5.

7 **(d) After the board of an authority enters into a loan contract,**
8 **the board may use funds received from state or federal grants to**
9 **satisfy the repayment of part or all of the loan contract."**

10 Renumber all SECTIONS consecutively.

(Reference is to ESB 173 as printed February 24, 2012.)

Representative Dermody