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February 20, 2009

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**HOUSE BILL No. 1607**

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DIGEST OF HB 1607 (Updated February 18, 2009 7:15 pm - DI 113)

**Citations Affected:** IC 36-7.5; noncode.

**Synopsis:** West Lake commuter rail project. Requires a city or county that participates in the northwest Indiana regional development authority to remain a member for at least ten years. Prescribes the terms for withdrawing from the development authority. Requires the development board of the northwest Indiana regional development authority to separately account for money received or designated for construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of a West Lake commuter rail line. Appropriates money to various public transportation projects.

**Effective:** July 1, 2008 (retroactive); upon passage.

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January 16, 2009, read first time and referred to Committee on Roads and Transportation.

February 12, 2009, reported \_ Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

February 19, 2009, amended, reported \_ Do Pass.

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February 20, 2009

First Regular Session 116th General Assembly (2009)

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 2008 Regular Session of the General Assembly.

**HOUSE BILL No. 1607**

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A BILL FOR AN ACT to amend the Indiana Code concerning transportation and to make an appropriation.

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

SOURCE: IC 36-7.5-1-18; (09)HB1607.2.1. --> SECTION 1. IC 36-7.5-1-18 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 18. "West Lake line" means a commuter transportation district project that extends passenger rail service by the Chicago, South Shore, and South Bend Railroad along a route to either or both of the following:**

(1)

**Lowell.**

(2)

Valparaiso.

SOURCE: IC 36-7.5-2-3.5; (09)HB1607.2.2. --> SECTION 2. IC 36-7.5-2-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) A county or city that participates in the development authority under this chapter must be a member of the development authority for at least ten (10) years after the date the county or city becomes a member of the development authority.

(b) At least twelve (12) months and not more than eighteen (18) months before the end of a ten (10) year period under subsection

(a), the fiscal body of a county or city participating in the development authority must adopt a resolution that:

(1) commits the county or city to an additional ten (10) years as a member of the development authority, beginning at the end of the current ten (10) year period; or

(2) withdraws the county or city from membership in the development authority not earlier than the end of the current ten (10) year period.

(c) The fiscal body of a county or city that participates in the development authority must adopt a resolution under subsection (b) during each ten (10) year period in which the county or city is a member of the development authority.

(d) A county or city may withdraw from a development authority as provided in this section only with the approval of the development board.

(e) If at the end of a ten (10) year period a county or city described withdraws from the development authority under this section:

(1) the terms of members of the development board from that county or city are terminated upon the effective date of the withdrawal of the county or city; and

(2) the county or city that withdraws from the development authority is liable to the development authority for:

(A) any unpaid transfers under this article that become due before the withdrawal of the county or city from the development authority is effective; and

(B) amounts due under any bonds issued or lease rental agreements entered into before the withdrawal of the county or city from the development

authority

is

effective.

SOURCE: IC 36-7.5-4-1; (09)HB1607.2.3. --> SECTION 3. IC 36-7.5-4-1, AS ADDED BY P.L.214-2005, SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The development board shall establish and administer a development authority fund.

(b) The development authority fund consists of the following:

(1) Riverboat admissions tax revenue, riverboat wagering tax revenue, or riverboat incentive payments received by a city or county described in IC 36-7.5-2-3(b) and transferred by the county or city to the fund.

(2) County economic development income tax revenue received under IC 6-3.5-7 by a county or city and transferred by the county or city to the fund.

(3) Amounts distributed under IC 8-15-2-14.7.

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(4) Food and beverage tax revenue deposited in the fund under IC 6-9-36-8.

(5) Funds received from the federal government.

(6) Appropriations to the fund by the general assembly.

(7) Other local revenue appropriated to the fund by a political subdivision.

(8) Gifts, donations, and grants to the fund.

(c) ~~On the date the development authority issues bonds for any purpose under this article, which are secured in whole or in part by~~ The **development authority shall establish a development authority fund.** The development board shall establish and administer ~~two (2) accounts within the development authority fund. The accounts shall be the a general account, and the a lease rental account, After the accounts are established,~~ **and such other accounts in the fund as are necessary or appropriate to carry out the powers and duties of the development authority. Except as otherwise provided by law or agreement with holders of any obligations of the development authority,** all money transferred to the development authority fund under ~~subsections~~ **subsection** (b)(1), (b)(2), and (b)(4) shall be deposited in the lease rental account and used only for the payment of or to secure the payment of obligations of an eligible political subdivision under a lease entered into by an eligible political subdivision and the development authority under this chapter. However, any money deposited in the lease rental account and not used for the purposes of this subsection shall be returned by the treasurer of the development authority to the respective counties and cities that contributed the money to the development authority.

(d) ~~Notwithstanding subsection (c),~~ If the amount of ~~all~~ money transferred to the development authority fund under ~~subsections~~ **subsection** (b)(1), (b)(2), and (b)(4) for deposit in the lease rental account in any one (1) calendar year is greater than an amount equal to:

(1) one and twenty-five hundredths (1.25); multiplied by

(2) the total of the highest annual debt service on any bonds then outstanding to their final maturity date, which have been issued under this article and are not secured by a lease, plus the highest annual lease payments on any leases to their final maturity, which are then in effect under this article;

~~then~~ all or a portion of the excess may instead be deposited in the general account.

(e) **Except as otherwise provided by law or agreement with the holders of obligations of the development authority,** all other money and revenues of the development authority may be deposited in the

general account or the lease rental account at the discretion of the development board. Money on deposit in the lease rental account may be used only to make rental payments on leases entered into by the development authority under this article. Money on deposit in the general account may be used for any purpose authorized by this article.

(f) The development authority fund shall be administered by the development authority.

(g) Money in the development authority fund shall be used by the development authority to carry out this article and does not revert to any other fund.

(h) **The development authority shall account separately for money accruing to or designated by the development authority for the construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of a West Lake line. The money may be used only for the following purposes:**

(1) Providing funding to assist a commuter transportation district in an eligible county in the construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of the West Lake line.

(2) Using the development authority's funds to match federal grants or make loans, loan guarantees, or grants to facilitate the construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of the West Lake line.

(3) Exercising any other power or duty of the development authority to facilitate the construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of the West Lake line, including the issuance of bonds, the establishment of reserves, the acquisition of property, and the entering into of leases and other agreements.

SOURCE: ; (09)HB1607.2.4. --> SECTION 4. [EFFECTIVE JULY 1, 2008 (RETROACTIVE)] (a) **The following definitions apply throughout this SECTION:**

(1) **"Grant recipient" refers to the following:**

- (A) Northern Indiana Commuter Transportation District.
- (B) Central Indiana Regional Transportation Authority.
- (C) Indianapolis Public Transportation Corporation.

(2) "Phase 1 of the West Lake line" means a commuter transportation district project (as defined in IC 8-5-15-1) that extends passenger rail service by the Chicago, South Shore, and South Bend Railroad along a route to Lowell, Indiana.

(b) There is appropriated fifteen million dollars (\$15,000,000) to the Northern Indiana Commuter Transportation District from Indiana's apportionment of grants to the states under the federal

American Recovery and Reinvestment Act of 2009 for the purpose of relocating rail lines to the west side of the airport in South Bend, Indiana, beginning July 1, 2008, and ending June 30, 2010.

(c) There is appropriated fifteen million dollars (\$15,000,000) to the Northern Indiana Commuter Transportation District from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 to conduct preliminary engineering and environmental studies and other activities necessary or appropriate to construct phase 1 of the West Lake line, beginning July 1, 2008, and ending June 30, 2010.

(d) There is appropriated five million dollars (\$5,000,000) to the Northern Indiana Commuter Transportation District from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 to make railroad track safety and efficiency improvements in Michigan City, Indiana, beginning July 1, 2008, and ending June 30, 2010.

(e) There is appropriated fifteen million dollars (\$15,000,000) to the Central Indiana Regional Transportation Authority from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 to advance the proposed rail transit for the northeast corridor of central Indiana, beginning July 1, 2008, and ending June 30, 2010.

(f) There is appropriated three million dollars (\$3,000,000) to the Indianapolis Public Transportation Corporation from Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 for the purposes authorized under IC 36-9-4 for a public transportation corporation, beginning July 1, 2008, and ending June 30, 2010.

(g) The sums appropriated to the grant recipients by this SECTION are in addition to all other income and receipts of the grant recipients and shall not be considered in awarding grants to grant recipients under a law other than this SECTION. Notwithstanding IC 4-10-11, IC 4-12-1-14, or any other law, the amount of the appropriations under this SECTION shall be:

(1) allotted for distribution to the grant recipients; and

(2) distributed upon warrant issued by the auditor of state to the appropriate grant recipient;

as soon as practicable after the receipt of Indiana's apportionment of grants to the states under the federal American Recovery and Reinvestment Act of 2009 without further review or approval by any other state official or body. A grant recipient shall periodically file with the budget agency financial statements showing the uses

of the amount distributed to the grant recipient under this SECTION on the schedule, in the form, and with the detail prescribed by the budget agency,

(h) Notwithstanding IC 4-9.1-1-7, IC 4-12-1-12, IC 4-12-1-14.1, IC 4-13-2-23, or any other law, an appropriation under this SECTION and the money appropriated by this SECTION is not subject to transfer, assignment, or reassignment for any use or purpose other than the uses and purposes specified in this SECTION.

(i) This SECTION expires January 1, 2011.

SOURCE: ; (09)HB1607.2.5. --> SECTION 5. An emergency is declared for this act.