



SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1191 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 6-3.6-9-9, AS AMENDED BY P.L.257-2019,
4 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2021]: Sec. 9. The budget agency shall provide the adopting
6 body with an informative summary of the calculations used to
7 determine the certified distribution. The summary of calculations must
8 include:
9 (1) the amount reported on individual income tax returns
10 processed by the department during the previous fiscal year;
11 (2) adjustments for over distributions in prior years;
12 (3) adjustments for clerical or mathematical errors in prior years;
13 **and**
14 (4) adjustments for tax rate changes; **and**
15 **(5) any adjustments made under IC 8-25-3-6(e) through**
16 **IC 8-25-3-6(g) concerning the operations of a public**
17 **transportation project authorized under IC 8-25."**
18 Page 2, between lines 34 and 35, begin a new paragraph and insert:
19 "SECTION 2. IC 8-25-3-6, AS AMENDED BY P.L.197-2016,
20 SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2021]: Sec. 6. (a) The following apply to the funding of a
22 public transportation project:
23 (1) For the first year of operations, an amount must be raised from
24 sources other than taxes, **and** fares, **and state and federal funds**
25 that is equal to at least ten percent (10%) of the revenue that the
26 budget agency certifies that the county will receive in that year
27 from a local income tax imposed to fund the public transportation

- 1 project.
- 2 (2) For the second year of operations and each year thereafter, at
- 3 least ten percent (10%) of the annual operating expenses of the
- 4 public transportation project must be paid from sources other than
- 5 taxes, ~~and~~ fares, **and state and federal funds.** For purposes of
- 6 this subdivision, operating expenses include only those expenses
- 7 incurred in the operation of fixed route services that are
- 8 established or expanded as a result of a public transportation
- 9 project authorized and funded under this article.
- 10 The budget agency shall assist the fiscal body of an eligible county in
- 11 determining the amount of money that must be raised under
- 12 subdivision (1).
- 13 (b) A county fiscal body or another entity authorized to carry out a
- 14 public transportation project under IC 8-25-4 shall raise the revenue
- 15 required by subsection (a) for a particular calendar year before the end
- 16 of the third quarter of the preceding calendar year. Money raised under
- 17 this section must be deposited in the county public transportation fund
- 18 established under section 7 of this chapter.
- 19 (c) If a county fiscal body or other entity fails to raise the revenue
- 20 required by subsection (a) before the deadline specified in subsection
- 21 (b), the county in which the public transportation project is located is
- 22 responsible for paying the difference between:
- 23 (1) the amount that subsection (a) requires to be raised from
- 24 sources other than taxes, ~~and~~ fares, **and state and federal funds;**
- 25 minus
- 26 (2) the amount actually raised from sources other than taxes, ~~and~~
- 27 fares, **and state and federal funds.**
- 28 **(d) The budget committee shall annually review the amount**
- 29 **raised from sources other than taxes, fares, and state and federal**
- 30 **funds for a public transportation project in eligible counties. The**
- 31 **budget agency shall determine whether or not the funding**
- 32 **requirements under subsection (a) have been met after the budget**
- 33 **committee completes the annual review under this subsection. The**
- 34 **budget director shall notify the auditor of state of the results of the**
- 35 **annual review and of the budget agency's determination of whether**
- 36 **or not the funding requirements under subsection (a) have been**
- 37 **met.**
- 38 **(e) This subsection applies only to Marion County. If, for any**
- 39 **year of operation, the fiscal body of Marion County does not pay**
- 40 **at least ten percent (10%) of the annual operating expenses of the**
- 41 **public transportation project from sources other than taxes, fares,**
- 42 **and state and federal funds, then after December 31 of that year**
- 43 **the following apply until the fiscal body of Marion County pays the**
- 44 **amount required under this section, as determined following the**
- 45 **annual budget committee review under subsection (d):**
- 46 **(1) Beginning after June 30, 2021, the auditor of state shall**

1 **withhold ten percent (10%) from the amount of certified**
 2 **distribution attributable to the additional tax rate imposed in**
 3 **Marion County under IC 6-3.6-7-27 and deposit the amount**
 4 **withheld in the trust account established within the state**
 5 **general fund for Marion County under IC 6-3.6-9-1. The**
 6 **amount withheld is not included in Marion County's**
 7 **supplemental reserve local income tax determination and**
 8 **distribution. Money withheld under this subdivision may not**
 9 **be considered a supplemental distribution under**
 10 **IC 6-3.6-9-15.**

11 **(2) The fiscal body of Marion County may use the county's**
 12 **public transportation fund only for a purpose identified under**
 13 **section 7(e) of this chapter.**

14 **(3) The fiscal body of Marion County may issue bonds only**
 15 **for the purpose identified under IC 8-25-5-3.**

16 **(4) The fiscal body of Marion County may not pledge revenue**
 17 **under this article for the payment of bonds and principal on**
 18 **bonds under IC 8-25-5-6.**

19 **(f) This subsection applies only to Marion County. The ten**
 20 **percent (10%) withheld under subsection (e)(1) from the certified**
 21 **distribution must be withheld in equal amounts from the amount**
 22 **distributed each month under IC 6-3.6-9-12.**

23 **(g) This subsection applies only to Marion County. The budget**
 24 **director shall notify the auditor of state that the auditor of state**
 25 **should cease withholding under subsection (e)(1) once the budget**
 26 **agency determines that Marion County is in compliance with**
 27 **subsection (a). The following calendar year, amounts previously**
 28 **withheld will be distributed to Marion County in equal amounts**
 29 **each month.**

30 SECTION 3. IC 8-25-3-7, AS ADDED BY P.L.153-2014,
 31 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2021]: Sec. 7. (a) If the fiscal body of an eligible county
 33 imposes taxes to fund a public transportation project, the county
 34 treasurer of the eligible county shall establish a county public
 35 transportation project fund to receive tax revenues collected for the
 36 public transportation project. Money received from a foundation
 37 established under IC 8-25-7 or IC 8-25-8 may be deposited into the
 38 fund.

39 (b) Money in a fund established under subsection (a) at the end of
 40 the eligible county's fiscal year remains in the fund. Interest earned by
 41 the fund must be deposited in the fund.

42 (c) **Except as provided in subsections (e) and (f)**, money deposited
 43 in an eligible county's public transportation project fund may be used
 44 only to purchase, establish, operate, repair, or maintain a public
 45 transportation project authorized under this article. Money in the fund
 46 may be pledged by the fiscal body of the eligible county to the

1 repayment of bonds issued for purposes of a public transportation
2 project authorized under this article.

3 (d) The fiscal body of an eligible county may, in the manner
4 provided by law, appropriate money from the fund to a public
5 transportation corporation that is authorized to purchase, establish,
6 operate, repair, or maintain the public transportation project if the
7 public transportation project is located, either entirely or partially,
8 within the eligible county.

9 **(e) This subsection applies only to Marion County. If, for any**
10 **year of operation, the fiscal body of Marion County does not pay**
11 **at least ten percent (10%) of the annual operating expenses of the**
12 **public transportation project from sources other than taxes, fares,**
13 **and state and federal funds as required by section 6 of this chapter,**
14 **then after December 31 of that year money deposited in Marion**
15 **County's public transportation fund may be used only for the**
16 **following purposes until the fiscal body of Marion County pays the**
17 **amount described under section 6 of this chapter, as determined**
18 **following the annual budget committee review under section 6(d)**
19 **of this chapter:**

20 (1) To operate, repair, or maintain a public transportation
21 project that is:

22 (A) authorized under this article; and

23 (B) constructed and in service before October 1 in the year
24 that the fiscal body of Marion County does not pay at least
25 ten percent (10%) of the annual operating expenses of the
26 public transportation project from sources other than
27 taxes, fares, and state and federal funds as required by
28 section 6 of this chapter.

29 (2) To pay debt service on bonds:

30 (A) issued under this article before October 1 in the year
31 that the fiscal body of Marion County does not pay at least
32 ten percent (10%) of the annual operating expenses of the
33 public transportation project from sources other than
34 taxes, fares, and state and federal funds as required by
35 section 6 of this chapter; or

36 (B) issued under this article after September 30 of the year
37 that the fiscal body of Marion County does not pay at least
38 ten percent (10%) of the annual operating expenses of the
39 public transportation project from sources other than
40 taxes, fares, and state and federal funds as required by
41 section 6 of this chapter, for the purpose of refunding or
42 refinancing bonds described in clause (A).

43 **(f) This subsection applies only to Marion County. If, for any**
44 **year of operation, the fiscal body of Marion County does not pay**
45 **at least ten percent (10%) of the annual operating expenses of the**
46 **public transportation project from sources other than taxes, fares,**
47 **and state and federal funds as required by section 6 of this chapter,**

1 then after December 31 of that year money deposited in Marion
2 County's public transportation fund may not be used to do any of
3 the following:

4 (1) Purchase or establish an IndyGo bus rapid transit line or
5 any other public transportation project that is not constructed
6 and in service before October 1 in the year that the fiscal body
7 of Marion County does not pay at least ten percent (10%) of
8 the annual operating expenses of the public transportation
9 project from sources other than taxes, fares, and state and
10 federal funds as required by section 6 of this chapter.

11 (2) Extend an IndyGo bus rapid transit line or any other
12 public transportation project that is constructed and in
13 service before October 1 in the year that the fiscal body of
14 Marion County does not pay at least ten percent (10%) of the
15 annual operating expenses of the public transportation
16 project from sources other than taxes, fares, and state and
17 federal funds as required by section 6 of this chapter."

18 Page 3, between lines 24 and 25, begin a new paragraph and insert:
19 "SECTION 3. IC 36-9-2-2, AS AMENDED BY P.L.84-2016,
20 SECTION 184, IS AMENDED TO READ AS FOLLOWS
21 [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) A unit may establish, aid,
22 maintain, and operate transportation systems.

23 (b) This subsection applies to an eligible county (as defined by
24 IC 8-25-1-4) that establishes a public transportation system through a
25 public transportation project authorized and funded under IC 8-25. The
26 unit must establish fares and charges that cover at least twenty-five
27 percent (25%) of the operating expenses of the public transportation
28 system. For purposes of this subsection, operating expenses include
29 only those expenses incurred in the operation of fixed route services
30 that are established or expanded as a result of a public transportation
31 project authorized and funded under IC 8-25. The unit annually shall
32 report on the unit's compliance with this subsection not later than sixty
33 (60) days after the close of the unit's fiscal year. The report must
34 include information on any fare increases necessary to achieve
35 compliance. The unit shall submit the report to the department of local
36 government finance and make the report available electronically
37 through the Indiana transparency Internet web site established under
38 IC 5-14-3.8.

39 (c) If a unit fails to prepare and disclose the annual report in the
40 manner required by subsection (b), any person subject to a tax
41 described in IC 8-25 may initiate a cause of action in the circuit court,
42 superior court, or probate court of the eligible county to compel the
43 appropriate officials of the unit to prepare and disclose the annual
44 report not later than thirty (30) days after a court order mandating the
45 unit to comply with subsection (b) is issued by the court.

46 (d) The budget committee shall annually review the amount

1 raised from fares and charges under subsection (b) for a public
 2 transportation project in eligible counties. The budget agency shall
 3 determine whether or not the funding requirements under
 4 subsection (b) have been met after the budget committee completes
 5 the annual review under this subsection. The budget director shall
 6 notify the auditor of state of the results of the annual review and of
 7 the budget agency's determination of whether or not the funding
 8 requirements under subsection (b) have been met.

9 (e) This subsection applies only to Marion County. If, for any
 10 year of operation, the fiscal body of Marion County does not pay
 11 at least twenty-five percent (25%) of the operating expenses of the
 12 public transportation project from fares and charges, then after
 13 December 31 of that year the following apply until the fiscal body
 14 of Marion County pays the amount required under this section, as
 15 determined following the annual state budget committee review
 16 under subsection (d):

17 (1) Beginning after June 30, 2021, the auditor of state shall
 18 withhold twenty-five percent (25%) from the amount of
 19 certified distribution attributable to the additional tax rate
 20 imposed in Marion County under IC 6-3.6-7-27 and deposit
 21 the amount withheld in the trust account established within
 22 the state general fund for Marion County under IC 6-3.6-9-1.
 23 The amount withheld is not included in Marion County's
 24 supplemental reserve local income tax determination and
 25 distribution. Money withheld under this subdivision may not
 26 be considered a supplemental distribution under
 27 IC 6-3.6-9-15.

28 (2) The fiscal body of Marion County may use the county's
 29 public transportation fund only for a purpose identified under
 30 IC 8-25-3-7(e).

31 (3) The fiscal body of Marion County may issue bonds only
 32 for the purpose identified under IC 8-25-5-3.

33 (4) The fiscal body of Marion County may not:

34 (A) pledge revenue under IC 8-25 for the payment of bonds
 35 and principal on bonds under IC 8-25-5-6;

36 (B) purchase or establish an IndyGo bus rapid transit line
 37 or any other public transportation project that is not
 38 constructed and in service before October 1 of that year;
 39 or

40 (C) extend an IndyGo bus rapid transit line or any other
 41 public transportation project that is constructed and in
 42 service before October 1 of that year.

43 (f) This subsection applies only to Marion County. The
 44 twenty-five percent (25%) withheld under subsection (e)(1) from
 45 the certified distribution must be withheld in equal amounts from
 46 the amount distributed each month under IC 6-3.6-9-12.

47 (g) This subsection applies only to Marion County. The budget

1 **director shall notify the auditor of state that the auditor of state**
2 **should cease withholding under subsection (e)(1) once the budget**
3 **agency determines that Marion County is in compliance with**
4 **subsection (b). The following calendar year, amounts previously**
5 **withheld will be distributed to Marion County in equal amounts**
6 **each month."**

7 Renumber all SECTIONS consecutively.
 (Reference is to EHB 1191 as printed April 9, 2021.)

Senator FREEMAN