



Reprinted
January 31, 2014

HOUSE BILL No. 1002

DIGEST OF HB 1002 (Updated January 30, 2014 11:41 am - DI 103)

Citations Affected: IC 8-14; IC 8-23.

Synopsis: Transportation funding. Authorizes the budget agency to transfer before July 1, 2015, any balance in the major moves 2020 trust fund to the state highway fund (transfer amount). Establishes the local infrastructure grant fund to provide grants to local units of government for certain infrastructure projects. Transfers \$25,000,000 of the transfer amount to the local infrastructure grant fund.

Effective: Upon passage.

**Brown T, Soliday, Thompson,
Cherry**

January 13, 2014, read first time and referred to Committee on Ways and Means.
January 27, 2014, reported — Do Pass.
January 30, 2014, read second time, amended, ordered engrossed.

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Second Regular Session 118th General Assembly (2014)

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 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

HOUSE BILL No. 1002

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

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

- 1 SECTION 1. IC 8-14-14.1-4 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: **Sec. 4. Notwithstanding section 3(e) of this**
4 **chapter, the budget agency may, before July 1, 2015, transfer any**
5 **balance in the fund to the state highway fund established by**
6 **IC 8-23-9-54. Money transferred under this section may be used**
7 **for any purpose of the state highway fund.**
8 SECTION 2. IC 8-23-9-54, AS AMENDED BY P.L.47-2006,
9 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 UPON PASSAGE]: Sec. 54. (a) To provide funds for carrying out the
11 provisions of this chapter, there is created a state highway fund from
12 the following sources:
13 (1) All money in the general fund to the credit of the state
14 highway account.
15 (2) All money that is received from the Department of
16 Transportation or other federal agency and known as federal aid.

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- 1 (3) All money paid into the state treasury to reimburse the state
2 for money paid out of the state highway fund.
- 3 (4) All money provided by Indiana law for the construction,
4 maintenance, reconstruction, repair, and control of public
5 highways, as provided under this chapter.
- 6 (5) All money that on May 22, 1933, was to be paid into the state
7 highway fund under contemplation of any statute in force as of
8 May 22, 1933.
- 9 (6) All money that may at any time be appropriated from the state
10 treasury.
- 11 (7) Any part of the state highway fund unexpended at the
12 expiration of any fiscal year, which shall remain in the fund and
13 be available for the succeeding years.
- 14 (8) Any money credited to the state highway fund from the motor
15 vehicle highway account under IC 8-14-1-3(4).
- 16 (9) Any money credited to the state highway fund from the
17 highway, road and street fund under IC 8-14-2-3.
- 18 (10) Any money credited to the state highway fund under
19 IC 6-6-1.1-801.5, IC 6-6-4.1-5, or IC 8-16-1-17.1.
- 20 (11) Any money distributed to the state highway fund under
21 IC 8-14-14, IC 8-15.5, or IC 8-15.7.
- 22 **(12) Any money transferred to the fund under IC 8-14-14.1-4.**
- 23 (b) All expenses incurred in carrying out this chapter shall be paid
24 out of the state highway fund.
- 25 **(c) Not more than thirty (30) days after the fund receives money**
26 **described in subsection (a)(12), the department shall transfer**
27 **twenty-five million dollars (\$25,000,000) to the local infrastructure**
28 **grant fund established by IC 8-23-29-4. A transfer under this**
29 **subsection is a one (1) time transfer.**
- 30 SECTION 3. IC 8-23-9-55 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 55. Money in the
32 state highway fund shall be used for the following:
- 33 (1) Operation of the department.
- 34 (2) Construction, reconstruction, operation, maintenance, and
35 control of the state highways that are the responsibility of the
36 department and of tollways that are the responsibility of the
37 department under IC 8-15-3.
- 38 **(3) Funding the local infrastructure grant fund established by**
39 **IC 8-23-29-4.**
- 40 SECTION 4. IC 8-23-29 IS ADDED TO THE INDIANA CODE AS
41 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
42 PASSAGE]:



1 **Chapter 29. Local Infrastructure Grant Fund**

2 **Sec. 1. As used in this chapter, "eligible project" means a**
 3 **project:**

- 4 **(1) that is undertaken by a local unit;**
 5 **(2) that repairs or increases the capacity of local roads and**
 6 **bridges;**
 7 **(3) that is part of the local unit's transportation asset**
 8 **management plan;**
 9 **(4) for which the local unit provides funds for at least ten**
 10 **percent (10%) of the total project cost; and**
 11 **(5) that is approved by the department.**

12 **Sec. 2. As used in this chapter, "fund" refers to the local**
 13 **infrastructure grant fund established by section 4 of this chapter.**

14 **Sec. 3. As used in this chapter, "local unit" means a county or**
 15 **municipality.**

16 **Sec. 4. (a) The local infrastructure grant fund is established to**
 17 **provide grants to local units for eligible projects.**

18 **(b) The department shall administer the fund.**

19 **(c) The fund consists of the following:**

- 20 **(1) Money transferred to the fund under IC 8-23-9-54(c).**
 21 **(2) Interest deposited in the fund under subsection (d).**
 22 **(3) Money deposited in or transferred to the fund from any**
 23 **other source.**

24 **(d) The treasurer of state shall invest money in the fund not**
 25 **currently needed to meet the obligations of the fund in the same**
 26 **manner as other public money may be invested. Interest that**
 27 **accrues from these investments shall be deposited in the fund.**

28 **(e) Money in the fund at the end of a state fiscal year does not**
 29 **revert to the state general fund.**

30 **(f) Money in the fund is continuously appropriated for the**
 31 **purpose of the fund.**

32 **Sec. 5. A local unit may apply to the department for a grant**
 33 **from the fund for an eligible project. The application must be in**
 34 **the form and manner prescribed by the department.**

35 **Sec. 6. The department may decide on a case by case basis the**
 36 **manner in which a local unit must provide funds described in**
 37 **section 1(4) of this chapter.**

38 **Sec. 7. The department may adopt guidelines to implement this**
 39 **chapter.**

40 **SECTION 5. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1002, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1002 as introduced.)

Committee Vote: Yeas 14, Nays 0

Representative Brown T

 HOUSE MOTION

Mr. Speaker: I move that House Bill 1002 be amended to read as follows:

Page 2, between lines 24 and 25, begin a new paragraph and insert:

"(c) Not more than thirty (30) days after the fund receives money described in subsection (a)(12), the department shall transfer twenty-five million dollars (\$25,000,000) to the local infrastructure grant fund established by IC 8-23-29-4. A transfer under this subsection is a one (1) time transfer.

SECTION 3. IC 8-23-9-55 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 55. Money in the state highway fund shall be used for the following:

- (1) Operation of the department.
- (2) Construction, reconstruction, operation, maintenance, and control of the state highways that are the responsibility of the department and of tollways that are the responsibility of the department under IC 8-15-3.

(3) Funding the local infrastructure grant fund established by IC 8-23-29-4.

SECTION 4. IC 8-23-29 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 29. Local Infrastructure Grant Fund

Sec. 1. As used in this chapter, "eligible project" means a project:

- (1) that is undertaken by a local unit;
- (2) that repairs or increases the capacity of local roads and bridges;
- (3) that is part of the local unit's transportation asset

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management plan;

(4) for which the local unit provides funds for at least ten percent (10%) of the total project cost; and

(5) that is approved by the department.

Sec. 2. As used in this chapter, "fund" refers to the local infrastructure grant fund established by section 4 of this chapter.

Sec. 3. As used in this chapter, "local unit" means a county or municipality.

Sec. 4. (a) The local infrastructure grant fund is established to provide grants to local units for eligible projects.

(b) The department shall administer the fund.

(c) The fund consists of the following:

(1) Money transferred to the fund under IC 8-23-9-54(c).

(2) Interest deposited in the fund under subsection (d).

(3) Money deposited in or transferred to the fund from any other source.

(d) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) Money in the fund is continuously appropriated for the purpose of the fund.

Sec. 5. A local unit may apply to the department for a grant from the fund for an eligible project. The application must be in the form and manner prescribed by the department.

Sec. 6. The department may decide on a case by case basis the manner in which a local unit must provide funds described in section 1(4) of this chapter.

Sec. 7. The department may adopt guidelines to implement this chapter."

Renumber all SECTIONS consecutively.

(Reference is to HB 1002 as printed January 27, 2014.)

SOLIDAY

