

SENATE BILL No. 384

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-7-31.3.

Synopsis: Allen County and Evansville PSCDA. Increases the maximum amount of covered taxes that may be captured in the Allen County PSCDA from \$3,000,000 to \$4,000,000. Provides for distribution of the covered taxes as follows: (1) The first \$2,600,000 to the Allen County War Memorial Coliseum. (2) The next \$400,000 to the Allen County-Fort Wayne capital improvement board. (3) The remaining amount to the Allen County War Memorial Coliseum. Specifies the termination date of the Allen County PSCDA. Adds the downtown convention center hotel to the Evansville PSCDA. Provides that not more than 40% of the funds allocated may be used for paying usual and customary operating expenses with respect to a capital improvement.

Effective: July 1, 2021.

Holdman

January 14, 2021, read first time and referred to Committee on Appropriations.



First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

SENATE BILL No. 384

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

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

- 1 SECTION 1. IC 36-7-31.3-8, AS AMENDED BY P.L.197-2016,
- 2 SECTION 136, IS AMENDED TO READ AS FOLLOWS
- 3 [EFFECTIVE JULY 1, 2021]: Sec. 8. (a) A designating body may
- 4 designate as part of a professional sports and convention development
- 5 area any facility that is:
- 6 (1) owned by the city, the county, a school corporation, or a board
- 7 under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11, and
- 8 used by a professional sports franchise for practice or competitive
- 9 sporting events;
- 10 (2) owned by the city, the county, or a board under IC 36-9-13,
- 11 IC 36-10-8, IC 36-10-10, or IC 36-10-11, and used as one (1) of
- 12 the following:
- 13 (A) A facility used principally for convention or tourism
- 14 related events serving national or regional markets.
- 15 (B) An airport.
- 16 (C) A museum.
- 17 (D) A zoo.



- 1 (E) A facility used for public attractions of national
 2 significance.
 3 (F) A performing arts venue.
 4 (G) A county courthouse registered on the National Register
 5 of Historic Places; or
 6 (3) a hotel.
- 7 Notwithstanding section 9 of this chapter or any other law, a
 8 designating body may by resolution approve the expansion of a
 9 professional sports and convention development area after June 30,
 10 2009, to include a hotel designated by the designating body. A
 11 resolution for such an expansion must be reviewed by the budget
 12 committee and approved by the budget agency in the same manner as
 13 a resolution establishing a professional sports and convention
 14 development area is reviewed and approved. A facility may not include
 15 a private golf course or related improvements. The tax area may
 16 include only facilities described in this section and any parcel of land
 17 on which a facility is located. An area may contain noncontiguous
 18 tracts of land within the city, county, or school corporation.
- 19 (b) Except for a tax area that is located in a city having a population
 20 of:
- 21 (1) more than one hundred fifty thousand (150,000) but less than
 22 five hundred thousand (500,000); or
 23 (2) more than eighty thousand (80,000) but less than eighty
 24 thousand four hundred (80,400);
- 25 a tax area must include at least one (1) facility described in subsection
 26 (a)(1).
- 27 (c) A tax area may contain other facilities not owned by the
 28 designating body if:
- 29 (1) the facility is owned by a city, the county, a school
 30 corporation, or a board established under IC 36-9-13, IC 36-10-8,
 31 IC 36-10-10, or IC 36-10-11; and
 32 (2) an agreement exists between the designating body and the
 33 owner of the facility specifying the distribution and uses of the
 34 covered taxes to be allocated under this chapter.
- 35 (d) This subsection applies to all tax areas located in a county
 36 having a population of more than three hundred thousand (300,000) but
 37 less than four hundred thousand (400,000). The facilities located at an
 38 ~~Indiana University-Purdue University regional~~ **Indiana University**
 39 **Fort Wayne and Purdue University Fort Wayne** campus are added
 40 to the tax area designated by the county. **For state fiscal years:**
 41 **(1) beginning before July 1, 2021,** the maximum amount of
 42 covered taxes that may be captured in all tax areas located in the



1 county is three million dollars (\$3,000,000) per year; **and**
 2 **(2) beginning after June 30, 2021, the maximum amount of**
 3 **covered taxes that may be captured in all tax areas located in**
 4 **the county is four million dollars (\$4,000,000);**

5 regardless of the designating body that established the tax area. The
 6 revenue from the local income tax imposed under IC 6-3.6 that is
 7 captured must be counted first toward this maximum.

8 **(e) This subsection applies to a tax area located in Evansville.**
 9 **Notwithstanding any other provision of this chapter, for state fiscal**
 10 **years beginning after July 1, 2021, any facility in Evansville,**
 11 **Indiana:**

12 **(1) that consists of a hotel; and**

13 **(2) is located in the north part of an area bounded on the**
 14 **northwest by Walnut Street, on the northeast by SE Martin**
 15 **Luther King Jr. Boulevard, on the southwest by SE 6th Street,**
 16 **and on the southeast by Cherry Street, as those streets were**
 17 **located on July 1, 2021;**

18 **is added to the tax area. The provisions in sections 11 and 12 of this**
 19 **chapter are not applicable to the area described in this subsection.**
 20 **The part of the tax area added under this subsection expires**
 21 **December 31, 2040.**

22 SECTION 2. IC 36-7-31.3-10, AS AMENDED BY P.L.100-2014,
 23 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2021]: Sec. 10. (a) A tax area must be established by
 25 resolution. A resolution establishing a tax area must provide for the
 26 allocation of covered taxes attributable to a taxable event or covered
 27 taxes earned in the tax area to the professional sports and convention
 28 development area fund established for the city or county. The
 29 allocation provision must apply to the entire tax area. The following
 30 apply to Allen County:

31 (1) The fund required by this subsection is the coliseum
 32 professional sports and convention development area fund. This
 33 fund shall be administered by the Allen County Memorial
 34 Coliseum board of trustees.

35 (2) The allocation each year must be as follows:

36 **(A) The following for state fiscal years ending before July**
 37 **1, 2021:**

38 ~~(A)~~ (i) The first two million six hundred thousand dollars
 39 (\$2,600,000) shall be transferred to the county treasurer for
 40 deposit in the coliseum professional sports and convention
 41 development area fund.

42 ~~(B)~~ (ii) The remaining amount shall be transferred to the



1 treasurer of the joint county-city capital improvement board
2 in the county.

3 **(B) The following for state fiscal years beginning after**
4 **June 30, 2021:**

5 **(i) The first two million six hundred thousand dollars**
6 **(\$2,600,000) shall be transferred to the county treasurer**
7 **for deposit in the coliseum professional sports and**
8 **convention development area fund.**

9 **(ii) After the allocation under item (i), the next four**
10 **hundred thousand dollars (\$400,000) shall be transferred**
11 **to the joint county-city capital improvement board in the**
12 **county.**

13 **(iii) After the allocations under items (i) and (ii), any**
14 **remaining amount shall be transferred to the county**
15 **treasurer for deposit in the coliseum professional sports**
16 **and convention development area fund.**

17 The resolution must provide the tax area terminates not later than
18 December 31, 2027. However, in the case of a tax area located in Allen
19 County, the resolution must provide that the tax area terminates before
20 the later of January 1, 2028; or if the designating body takes final
21 action on the financing for the facility or proposed facility before
22 January 1, 2015; a date agreed to jointly by the budget agency and the
23 designating body that established the tax area. However, the date
24 agreed to jointly may not be later than twenty-five (25) years after the
25 debt to finance the facility or proposed facility is issued. The budget
26 agency must approve the final financing for the facility or proposed
27 facility. **A tax area located in Allen County terminates not later**
28 **than December 31, 2038.** Any bonds that were issued before
29 **January 1, 2015**, to finance the facility or proposed facility must have
30 a maturity of less than twenty-five (25) years.

31 (b) In addition to subsection (a), all of the salary, wages, bonuses,
32 and other compensation that are:

- 33 (1) paid during a taxable year to a professional athlete for
34 professional athletic services;
35 (2) taxable in Indiana; and
36 (3) earned in the tax area;

37 shall be allocated to the tax area if the professional athlete is a member
38 of a team that plays the majority of the professional athletic events that
39 the team plays in Indiana in the tax area.

40 (c) For a tax area that is:

- 41 (1) not located in a county having a population of more than three
42 hundred thousand (300,000) but less than four hundred thousand



1 (400,000); and
 2 (2) not located in a city having a population of more than one
 3 hundred thousand (100,000) but less than one hundred ten
 4 thousand (110,000);

5 the total amount of state revenue captured by the tax area may not
 6 exceed five dollars (\$5) per resident of the city or county per year for
 7 twenty (20) consecutive years.

8 (d) For a tax area that is located in a city having a population of
 9 more than one hundred thousand (100,000) but less than one hundred
 10 ten thousand (110,000), the total amount of state revenue captured by
 11 the tax area may not exceed six dollars and fifty cents (\$6.50) per
 12 resident of the city per year for twenty (20) consecutive years.

13 (e) The resolution establishing the tax area must designate the
 14 facility or proposed facility and the facility site for which the tax area
 15 is established.

16 (f) The department may adopt rules under IC 4-22-2 and guidelines
 17 to govern the allocation of covered taxes to a tax area.

18 SECTION 3. IC 36-7-31.3-19, AS AMENDED BY P.L.119-2012,
 19 SECTION 213, IS AMENDED TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2021]: Sec. 19. The resolution establishing the
 21 tax area must designate the use of the funds. **Except as provided in**
 22 **this section**, the funds are to be used only for the following:

23 (1) Except in a tax area in a city having a population of:
 24 (A) more than one hundred fifty thousand (150,000) but less
 25 than five hundred thousand (500,000); or
 26 (B) more than eighty thousand (80,000) but less than eighty
 27 thousand four hundred (80,400);

28 a capital improvement that will construct or equip a facility
 29 owned by the city, the county, a school corporation, or a board
 30 under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11 and
 31 used by a professional sports franchise for practice or competitive
 32 sporting events. In a tax area to which this subdivision applies,
 33 funds may also be used for a capital improvement that will
 34 construct or equip a facility owned by the city, the county, or a
 35 board under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11
 36 and used for any purpose specified in section 8(a)(2) of this
 37 chapter.

38 (2) In a city having a population of more than one hundred fifty
 39 thousand (150,000) but less than five hundred thousand
 40 (500,000):

41 (A) a capital improvement that will construct or equip a
 42 facility owned by the city, the county, a school corporation, or



- 1 a board under IC 36-9-13, IC 36-10-8, IC 36-10-10, or
2 IC 36-10-11 and used for any purpose specified in section 8(a)
3 of this chapter; **and**
4 **(B) notwithstanding the uses designated in the resolution,**
5 **not more than forty percent (40%) of the funds allocated**
6 **may be used for paying operating expenses with respect to**
7 **a facility owned by the city, the county, a school**
8 **corporation, or a board under IC 36-9-13, IC 36-10-8,**
9 **IC 36-10-10, or IC 36-10-11 and used for any purpose**
10 **specified in section 8(a) of this chapter.**
- 11 (3) In a city having a population of more than eighty thousand
12 (80,000) but less than eighty thousand four hundred (80,400), a
13 capital improvement that will construct or equip a facility owned
14 by the city, the county, or a board under IC 36-9-13, IC 36-10-8,
15 IC 36-10-10, or IC 36-10-11 and used for any purpose specified
16 in section 8(a)(1) or 8(a)(2) of this chapter.
- 17 (4) The financing or refinancing of a capital improvement
18 described in subdivision (1), (2), or (3) or the payment of lease
19 payments for a capital improvement described in subdivision (1),
20 (2), or (3).

