



COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Appropriations, to which was referred House Bill No. 1005, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 10, after line 11, begin a new paragraph and insert:
- 2 "SECTION 6. IC 6-1.1-12.1-7 IS AMENDED TO READ AS
- 3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) After
- 4 favorable recommendation by an economic development commission,
- 5 the fiscal body of a city, ~~or~~ town, **or county** may by ordinance
- 6 designate as an economic development target area a specific
- 7 geographic territory that:
- 8 (1) has become undesirable or impossible for normal development
- 9 and occupancy because of a lack of development, cessation of
- 10 growth, deterioration of improvements or character of occupancy,
- 11 age, obsolescence, substandard buildings, or other factors that
- 12 have impaired values or prevent a normal development of
- 13 property or use of property;
- 14 (2) has been designated as a registered historic district under:
- 15 (A) the National Historic Preservation Act of 1966; or
- 16 (B) the jurisdiction of a preservation commission organized
- 17 under:
- 18 (i) IC 36-7-11;
- 19 (ii) IC 36-7-11.1;
- 20 (iii) IC 36-7-11.2;

(iv) IC 36-7-11.3; or
 (v) IC 14-3-3.2 (before its repeal); or
 (3) encompasses buildings, structures, sites, or other facilities that are:

(A) listed on the national register of historic places established pursuant to 16 U.S.C. 470 et seq.;

(B) listed on the register of Indiana historic sites and historic structures established under IC 14-21-1; or

(C) determined to be eligible for listing on the Indiana register by the Indiana state historic preservation officer.

(b) The fiscal body of a city, ~~or~~ town, ~~or~~ county may designate a maximum of fifteen percent (15%) of the total geographic territory of the city or town to be in economic development target areas.

(c) Notwithstanding the repeal of IC 36-7-11.9-4 and IC 36-7-12-38, an economic development target area established by a city or town before July 1, 1987, continues in effect until it is modified or abolished by ordinance of the city or town fiscal body.

SECTION 7. IC 36-7-14-53, AS AMENDED BY P.L.154-2020, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 53. (a) ~~Subject to subsection (g);~~ A commission may establish a residential housing development program by resolution for the construction of new residential housing or the renovation of existing residential housing in an area within the jurisdiction of the commission. ~~if:~~

(1) ~~for a commission established by a county; the average of new, single family residential houses constructed within the township in which the area is located during the preceding three (3) calendar years is less than one percent (1%) of the total number of single family residential houses within that township on January 1 of the year in which the resolution is adopted; or~~

(2) ~~for a commission established by a municipality, the average of new, single family residential houses constructed within the municipal boundaries during the preceding three (3) calendar years is less than one percent (1%) of the total number of single family residential houses within the boundaries of the municipality on January 1 of the year in which the resolution is adopted.~~

~~However, the calculations described in subdivisions (1) and (2) and the provisions of subsection (f) do not apply for purposes of establishing a residential housing development program within an economic development target area designated under IC 6-1.1-12.1-7.~~

(b) The program, which may include any relevant elements the

commission considers appropriate, may be adopted as part of a redevelopment plan or amendment to a redevelopment plan, and must establish an allocation area for purposes of sections 39 and 56 of this chapter for the accomplishment of the program. The program must be approved by the municipal legislative body or county executive as specified in section 17 of this chapter.

(c) The notice and hearing provisions of sections 17 and 17.5 of this chapter, including notice under section 17(c) of this chapter to a taxing unit that is wholly or partly located within an allocation area, apply to the resolution adopted under subsection (b). Judicial review of the resolution may be made under section 18 of this chapter.

(d) Before formal submission of any residential housing development program to the commission, the department of redevelopment shall:

(1) consult with persons interested in or affected by the proposed program, including the superintendents and governing body presidents of all school corporations located within the proposed allocation area;

(2) provide the affected neighborhood associations, residents, and township assessors with an adequate opportunity to participate in an advisory role in planning, implementing, and evaluating the proposed program; and

(3) hold at least one (1) public meeting to obtain the views of neighborhood associations and residents of the affected neighborhood. The department of redevelopment shall send notice thirty (30) days prior to the public meeting to the fiscal officer of all affected taxing units and to the superintendents and governing body presidents of all school corporations located within the proposed allocation area.

(e) A residential housing development program established under this section must terminate not later than ~~twenty-five (25)~~ **twenty (20)** years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues from the program.

~~(f) The department of local government finance in cooperation with either the appropriate county agency or the appropriate municipal agency; or both, shall determine whether a county or municipality meets the threshold requirements under subsection (a). In making the determination, the department of local government finance may request information necessary to make the determination. A county or municipality may request from the department of local government finance a report, if it exists, describing the effect of current assessed~~

1 value allocated to tax increment financing allocation areas on the
2 amount of the tax levy or proceeds and the credit for excessive property
3 taxes under IC 6-1.1-20.6 for the taxing units within the boundaries of
4 the residential housing development program.

5 ~~(g) A program established under subsection (a) may not take effect~~
6 ~~until the governing body of each school corporation affected by the~~
7 ~~program passes a resolution approving the program.~~

8 **SECTION 8. An emergency is declared for this act."**

(Reference is to HB 1005 as printed February 2, 2023.)

and when so amended that said bill do pass .

Committee Vote: Yeas 10, Nays 1.

Senator Mishler, Chairperson