

IC 8-14

ARTICLE 14. HIGHWAY FINANCES

IC 8-14-1

Chapter 1. Motor Vehicle Highway Account Act

IC 8-14-1-0.1

Application of certain amendments to chapter

Sec. 0.1. The addition of section 11 of this chapter by P.L.116-1989 applies to all accounts receivable that are found to be uncollectible on July 1, 1989, and to accounts that are found to be uncollectible after June 30, 1989.

As added by P.L.220-2011, SEC.198.

IC 8-14-1-1

Definitions

Sec. 1. As used in this chapter:

(1) "Motor vehicle highway account" means the account of the general fund of the state known as the "motor vehicle highway account" to which is credited collections from motor vehicle registration fees, licenses, driver's and chauffeur's license fees, gasoline taxes, auto transfer fees, certificate of title fees, weight taxes or excise taxes and all other similar special taxes, duties or excises of all kinds on motor vehicles, trailers, motor vehicle fuel, or motor vehicle owners or operators. The account also includes fees collected under IC 9-27-6-9(d).

(2) The term "department" refers to the Indiana department of transportation.

(3) The term "highways" includes roadway, rights of way, bridges, drainage structures, signs, guard rails, protective structures in connection with highways, drains, culverts, and bridges and the substructure and superstructure of bridges and approaches thereto and streets and alleys of cities or towns.

(4) The term "construction" means the planning, supervising, inspecting, actual building, draining, and all expenses incidental to the construction of a highway.

(5) The term "reconstruction" means a widening or a rebuilding of the highway or any portion thereof.

(6) The term "maintenance" when used in reference to cities, towns, and counties as applied to that part of the highway other than bridges, means the constant making of needed repairs, to preserve a smooth surfaced highway, adequately drained, marked and guarded by protective structures for public safety and, as to bridges, means the constant making of needed repairs to preserve a smooth surfaced highway thereon and the safety and preservation of the bridge and its approaches, together with the substructure and superstructure thereof; and such term also means and includes the acquisition and use, in any manner, of all needed equipment, fuel, materials, and supplies essential and incident thereto.

(7) The term "vehicle registration" means the number of vehicles subject to registration under IC 9-18 which are registered thereunder, and, when used with respect to the state, shall mean the number of vehicles registered in the state and, when used in respect to a county, city, or town, shall mean the number of vehicles registered by owners resident in the county, city, or town.

(Formerly: Acts 1941, c.168, s.1.) As amended by Acts 1980, P.L.74, SEC.213; P.L.18-1990, SEC.106; P.L.2-1991, SEC.59; P.L.145-2011, SEC.2.

IC 8-14-1-2

Public policy; budget management; political subdivisions

Sec. 2. It is hereby declared to be the policy of the state of Indiana that:

- (1) the net amount in the motor vehicle highway account shall be budgeted for programs of traffic safety and for the construction, reconstruction, improvement, and maintenance of the highways of the state;
- (2) a fair distribution thereof shall be made between the department and subordinate political subdivisions having jurisdiction of highways of the state;
- (3) the funds allotted shall be used in accordance with the policy herein declared and the provisions of this chapter; and
- (4) the funds allocated to counties, cities, and towns from such motor vehicle highway account shall be budgeted as provided by law, and such county budgets shall be referred to the county council for approval, revision, or reduction.

(Formerly: Acts 1941, c.168, s.2.) As amended by Acts 1980, P.L.74, SEC.214; Acts 1981, P.L.41, SEC.48; P.L.205-2013, SEC.133.

IC 8-14-1-2.5

Repealed

(Repealed by P.L.59-1985, SEC.38.)

IC 8-14-1-3 Version a

Allocations; basis for distribution

Note: This version of section amended by P.L.205-2013, SEC.134. See also following version of this section amended by P.L.261-2013, SEC.40.

Sec. 3. The money collected for the motor vehicle highway account fund and remaining after refunds and the payment of all expenses incurred in the collection thereof, and after the deduction of the amount appropriated to the department for traffic safety, shall be allocated to and distributed among the department and subdivisions designated as follows:

- (1) Of the net amount in the motor vehicle highway account the auditor of state shall set aside for the cities and towns of the state fifteen percent (15%) thereof. This sum shall be allocated to the cities and towns upon the basis that the population of

each city and town bears to the total population of all the cities and towns and shall be used for the construction or reconstruction and maintenance of streets and alleys and shall be annually budgeted as now provided by law. However, no part of such sum shall be used for any other purpose than for the purposes defined in this chapter. If any funds allocated to any city or town shall be used by any officer or officers of such city or town for any purpose or purposes other than for the purposes as defined in this chapter, such officer or officers shall be liable upon their official bonds to such city or town in such amount so used for other purposes than for the purposes as defined in this chapter, together with the costs of said action and reasonable attorney fees, recoverable in an action or suit instituted in the name of the state of Indiana on the relation of any taxpayer or taxpayers resident of such city or town. A monthly distribution thereof of funds accumulated during the preceding month shall be made by the auditor of state.

(2) Of the net amount in the motor vehicle highway account, the auditor of state shall set aside for the counties of the state thirty-two percent (32%) thereof. However, as to the allocation to cities and towns under subdivision (1) and as to the allocation to counties under this subdivision, in the event that the amount in the motor vehicle highway account fund remaining after refunds and after the payment of all expenses incurred in the collection thereof shall be less than twenty-two million six hundred and fifty thousand dollars (\$22,650,000) in any fiscal year, then the amount so set aside in the next calendar year for distributions to counties shall be reduced fifty-four percent (54%) of such deficit and the amount so set aside for distribution in the next calendar year to cities and towns shall be reduced thirteen percent (13%) of such deficit. Such reduced distributions shall begin with the distribution January 1 of each year.

(3) The amount set aside for the counties of the state under the provisions of subdivision (2) shall be allocated monthly upon the following basis:

(A) Five percent (5%) of the amount allocated to the counties to be divided equally among the ninety-two (92) counties.

(B) Sixty-five percent (65%) of the amount allocated to the counties to be divided on the basis of the ratio of the actual miles, now traveled and in use, of county roads in each county to the total mileage of county roads in the state, which shall be annually determined, accurately, by the department.

(C) Thirty percent (30%) of the amount allocated to the counties to be divided on the basis of the ratio of the motor vehicle registrations of each county to the total motor vehicle registration of the state.

All money so distributed to the several counties of the state

shall constitute a special road fund for each of the respective counties and shall be under the exclusive supervision and direction of the board of county commissioners in the construction, reconstruction, maintenance, or repair of the county highways or bridges on such county highways within such county.

(4) Each month the remainder of the net amount in the motor vehicle highway account shall be credited to the state highway fund for the use of the department.

(5) Money in the fund may not be used for any toll road or toll bridge project.

(6) Notwithstanding any other provisions of this section, money in the motor vehicle highway account fund may be appropriated to the Indiana department of transportation from the forty-seven percent (47%) distributed to the political subdivisions of the state to pay the costs incurred by the department in providing services to those subdivisions.

(7) Notwithstanding any other provisions of this section or of IC 8-14-8, for the purpose of maintaining a sufficient working balance in accounts established primarily to facilitate the matching of federal and local money for highway projects, money may be appropriated to the Indiana department of transportation as follows:

(A) One-half (1/2) from the forty-seven percent (47%) set aside under subdivisions (1) and (2) for counties and for those cities and towns with a population greater than five thousand (5,000).

(B) One-half (1/2) from the distressed road fund under IC 8-14-8.

(Formerly: Acts 1941, c.168, s.3; Acts 1943, c.221, s.1; Acts 1945, c.275, s.1; Acts 1949, c.270, s.1; Acts 1965, c.223, s.1.) As amended by Acts 1980, P.L.74, SEC.215; Acts 1981, P.L.41, SEC.49; P.L.113-1983, SEC.1; P.L.18-1990, SEC.107; P.L.2-1990, SEC.10; P.L.205-2013, SEC.134.

IC 8-14-1-3 Version b
Allocations; basis for distribution

Note: This version of section amended by P.L.261-2013, SEC.40. See also preceding version of this section amended by P.L.205-2013, SEC.134.

Sec. 3. The money collected for the motor vehicle highway account fund and remaining after refunds and the payment of all expenses incurred in the collection thereof, and after the deduction of the amount appropriated to the department for traffic safety and after the deduction of one-half (1/2) of the amount appropriated for the state police department, shall be allocated to and distributed among the department and subdivisions designated as follows:

(1) Of the net amount in the motor vehicle highway account the auditor of state shall set aside for the cities and towns of the state fifteen percent (15%) thereof. This sum shall be allocated

to the cities and towns upon the basis that the population of each city and town bears to the total population of all the cities and towns and shall be used for the construction or reconstruction and maintenance of streets and alleys and shall be annually budgeted as now provided by law. However, no part of such sum shall be used for any other purpose than for the purposes defined in this chapter. If any funds allocated to any city or town shall be used by any officer or officers of such city or town for any purpose or purposes other than for the purposes as defined in this chapter, such officer or officers shall be liable upon their official bonds to such city or town in such amount so used for other purposes than for the purposes as defined in this chapter, together with the costs of said action and reasonable attorney fees, recoverable in an action or suit instituted in the name of the state of Indiana on the relation of any taxpayer or taxpayers resident of such city or town. A monthly distribution thereof of funds accumulated during the preceding month shall be made by the auditor of state.

(2) Of the net amount in the motor vehicle highway account, the auditor of state shall set aside for the counties of the state thirty-two percent (32%) thereof. However, as to the allocation to cities and towns under subdivision (1), and as to the allocation to counties under this subdivision in the event that the amount in the motor vehicle highway account fund remaining after refunds and the payment of all expenses incurred in the collection thereof and after deduction of any amount appropriated by the general assembly for public safety and policing shall be less than twenty-two million six hundred and fifty thousand dollars (\$22,650,000), in any fiscal year then the amount so set aside in the next calendar year for distributions to counties shall be reduced fifty-four percent (54%) of such deficit and the amount so set aside for distribution in the next calendar year to cities and towns shall be reduced thirteen percent (13%) of such deficit. Such reduced distributions shall begin with the distribution January 1 of each year.

(3) The amount set aside for the counties of the state under the provisions of subdivision (2) shall be allocated monthly upon the following basis:

(A) Five percent (5%) of the amount allocated to the counties to be divided equally among the ninety-two (92) counties.

(B) Sixty-five percent (65%) of the amount allocated to the counties to be divided on the basis of the ratio of the actual miles, now traveled and in use, of county roads in each county to the total mileage of county roads in the state, which shall be annually determined, accurately, by the department and submitted to the auditor of state before April 1 of each year.

(C) Thirty percent (30%) of the amount allocated to the

counties to be divided on the basis of the ratio of the motor vehicle registrations of each county to the total motor vehicle registration of the state.

All money so distributed to the several counties of the state shall constitute a special road fund for each of the respective counties and shall be under the exclusive supervision and direction of the board of county commissioners in the construction, reconstruction, maintenance, or repair of the county highways or bridges on such county highways within such county.

(4) Each month the remainder of the net amount in the motor vehicle highway account shall be credited to the state highway fund for the use of the department.

(5) Money in the fund may not be used for any toll road or toll bridge project.

(6) Notwithstanding any other provisions of this section, money in the motor vehicle highway account fund may be appropriated to the Indiana department of transportation from the forty-seven percent (47%) distributed to the political subdivisions of the state to pay the costs incurred by the department in providing services to those subdivisions.

(7) Notwithstanding any other provisions of this section or of IC 8-14-8, for the purpose of maintaining a sufficient working balance in accounts established primarily to facilitate the matching of federal and local money for highway projects, money may be appropriated to the Indiana department of transportation as follows:

(A) One-half (1/2) from the forty-seven percent (47%) set aside under subdivisions (1) and (2) for counties and for those cities and towns with a population greater than five thousand (5,000).

(B) One-half (1/2) from the distressed road fund under IC 8-14-8.

(Formerly: Acts 1941, c.168, s.3; Acts 1943, c.221, s.1; Acts 1945, c.275, s.1; Acts 1949, c.270, s.1; Acts 1965, c.223, s.1.) As amended by Acts 1980, P.L.74, SEC.215; Acts 1981, P.L.41, SEC.49; P.L.113-1983, SEC.1; P.L.18-1990, SEC.107; P.L.2-1990, SEC.10; P.L.261-2013, SEC.40.

IC 8-14-1-4

County allocations; budgeting; permissible use of funds; county allocation

Sec. 4. The funds allocated to the respective counties of the state from the motor vehicle highway account shall annually be budgeted as provided by law, and, when distributed shall be used for construction, reconstruction and maintenance of the highways of the respective counties, including highways which traverse the streets of incorporated towns, the cost of the repair and maintenance of which prior to the tenth day of September, 1932, was paid from the county gravel road repair fund excepting where the department is charged by

law with the maintenance or construction of any such highway so traversing such streets. Any surplus existing in the funds at the end of the year shall thereafter continue as a part of the highway funds of the said counties and shall be rebudgeted and used as already provided in this chapter. The purchase, rental and repair of highway equipment, painting of bridges and acquisition of grounds for erection and construction of storage buildings, acquisition of rights of way and the purchase of fuel oil, and supplies necessary to the performance of construction, reconstruction and maintenance of highways, shall be paid out of the highway account of the various counties.

(Formerly: Acts 1941, c.168, s.4.) As amended by Acts 1980, P.L.74, SEC.216.

IC 8-14-1-5

Permissible use of funds; municipal allocations

Sec. 5. (a) All funds allocated to cities and towns from the motor vehicle highway account shall be used by the cities and towns for the construction, reconstruction, repair, maintenance, oiling, sprinkling, snow removal, weed and tree cutting and cleaning of their highways as herein defined, and including also any curbs, and the city's or town's share of the cost of the separation of the grades of crossing of public highways and railroads, the purchase or lease of highway construction and maintenance equipment, the purchase, erection, operation and maintenance of traffic signs and signals, and safety zones and devices; and the painting of structures, objects, surfaces in highways for purposes of safety and traffic regulation. All of such funds shall be budgeted as provided by law.

(b) In addition to purposes for which funds may be expended under subsections (a) and (c) of this section, monies allocated to cities and towns under this chapter may be expended for law enforcement purposes, subject to the following limitations:

(1) For cities and towns with a population of less than five thousand (5,000), no more than fifteen percent (15%) may be spent for law enforcement purposes.

(2) For cities and towns other than those specified in subdivision (1) of this subsection, no more than ten percent (10%) may be spent for law enforcement purposes.

(c) In addition to purposes for which funds may be expended under subsections (a) and (b) of this section, monies allocated to cities and towns under this chapter may be expended for the payment of principal and interest on bonds sold primarily to finance road, street, or thoroughfare projects.

(Formerly: Acts 1941, c.168, s.5; Acts 1945, c.164, s.1; Acts 1959, c.278, s.1; Acts 1965, c.121, s.1.) As amended by Acts 1981, P.L.111, SEC.3; P.L.61-2000, SEC.1.

IC 8-14-1-6

Repealed

(Repealed by Acts 1980, P.L.74, SEC.434.)

IC 8-14-1-7**Short title**

Sec. 7. This chapter shall be known as the "Motor Vehicle Highway Account Act". The distribution herein set out under section 3 of this chapter is hereby declared to be equitable.

(Formerly: Acts 1941, c.168, s.7.) As amended by P.L.66-1984, SEC.55.

IC 8-14-1-8**Repealed**

(Repealed by Acts 1980, P.L.74, SEC.434.)

IC 8-14-1-9**Mandatory transfer of funds**

Sec. 9. (a) A written agreement between the department and a city, town, or county under IC 8-23-2-5, or a similar government cooperative statute, may provide for a mandatory transfer of funds by the auditor of state under this section if one (1) of the parties becomes more than sixty (60) days late in making a payment required by the agreement.

(b) To obtain a mandatory transfer of funds, the party to whom the funds were to be paid under terms of the written agreement must certify in writing to the auditor of state:

- (1) that a written agreement between the parties authorizes the mandatory transfer of funds as provided in subsection (a);
- (2) that the owing party was notified in writing of the amount owed;
- (3) that the payment is more than sixty (60) days past due;
- (4) the names of the parties; and
- (5) the amount of the payment due.

(c) Upon receipt of a certificate as specified in subsection (b), the auditor of state shall:

- (1) immediately notify the delinquent party of the claim; and
- (2) if proof of payment is not furnished to the auditor of state within thirty (30) days after the delinquent party has been notified, transfer the unpaid amount from the delinquent party's allocations from the motor vehicle highway account to the other party. Transfers shall be made until the unpaid amount has been paid in full under the terms of the agreement.

As added by P.L.113-1983, SEC.2. Amended by P.L.18-1990, SEC.108.

IC 8-14-1-10**Covered bridges; appropriation from account; disbursements**

Sec. 10. (a) On July 1 of each year, there is appropriated from the motor vehicle highway account for the maintenance of covered bridges in Indiana the amount necessary to make the disbursements under subsection (b) for the year.

(b) Before September 1 of each year, the auditor of state shall, by

warrant drawn on the treasurer of state, distribute to each county that has a covered bridge located on the county's road system an amount that may only be used for maintenance of covered bridges in the county. The amount to which each county is entitled under this subsection equals the product of:

(1) the number of covered bridges located on the county's road system; multiplied by

(2) one thousand eight hundred fifty dollars (\$1,850).

As added by P.L.127-1987, SEC.1. Amended by P.L.115-1989, SEC.1; P.L.57-1994, SEC.1; P.L.23-2007, SEC.1.

IC 8-14-1-11

Local agency revolving fund; reimbursement; accounts receivable; transfer of funds

Sec. 11. (a) The department may create a local agency revolving fund from money appropriated under section 3(7) of this chapter for the purpose of maintaining a sufficient working balance in accounts established primarily to facilitate the matching of federal and local money for highway projects.

(b) The revolving fund balance must be maintained through reimbursement from a local unit for money used by that unit to match federal funds.

(c) If the local unit fails to reimburse the revolving fund, the department shall notify the local unit that the department has found the outstanding accounts receivable to be uncollectible.

(d) The attorney general shall review the outstanding accounts receivable and if the attorney general agrees with the department's assessment of the account's status, the attorney general shall certify to the auditor of state that the outstanding accounts receivable is uncollectible and request a transfer of funds as provided in subsection (e).

(e) Upon receipt of a certificate as specified in subsection (d), the auditor of state shall:

(1) immediately notify the delinquent local unit of the claim; and

(2) if proof of payment is not furnished to the auditor of state within thirty (30) days after the notification, transfer an amount equal to the outstanding accounts receivable to the department from the delinquent local unit's allocations from the motor vehicle highway account for deposit in the local agency revolving fund.

(f) Transfers shall be made under subsection (e) until the unpaid amount has been paid in full under the terms of the agreement. However, the agreement may be amended if both the department and the unit agree to amortize the transfer over a period not to exceed five (5) years.

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

As added by P.L.116-1989, SEC.1. Amended by P.L.1-1994, SEC.35.

IC 8-14-1.5

Repealed

(Repealed by P.L.59-1985, SEC.38.)

IC 8-14-2

Chapter 2. Special Highway User Tax Accounts

IC 8-14-2-1

Definitions

Sec. 1. As used in this chapter:

- (1) Primary highway system special account means the account of the state known as the "primary highway system special account" to which is credited monthly fifty-five percent (55%) of the money deposited in the highway, road, and street fund.
- (2) Local road and street account means the account of the state known as the "local road and street account" to which is credited monthly forty-five percent (45%) of the money deposited in the highway, road and street fund.
- (3) The term "department" refers to the Indiana department of transportation created under IC 8-23-2.
- (4) The term "primary highways" shall mean that portion of the federal-aid highway system designated by the department and approved by the United States department of transportation as being the state "primary highway system".
- (5) The term "construction" shall mean both construction and reconstruction to a degree that new, supplementary, or substantially improved traffic service is provided, and significant geometric or structural improvements are effected.
- (6) "Arterial road system" shall mean the system of roads including bridges in each county of Indiana, under the jurisdiction of the board of county commissioners, or successor body, including a department of transportation of a consolidated city, designated as such by the board under IC 8-23-4-3, but not including local county roads.
- (7) "Local county roads" shall mean all county roads and bridges which are not designated as being in the arterial road system.
- (8) "Arterial street system" means the system of streets, including bridges in each city or town in Indiana, under the jurisdiction of municipal street authorities or successor bodies, including a department of transportation of a consolidated city, designated as such by the board under IC 8-23-4-4, but not including local streets.
- (9) "Local streets" shall mean all city and town streets and bridges which are not designated as being in the arterial street system in each city or town.
- (10) "Resurfacing" means the placement of additional pavement layers (including protective systems for bridge decks) over the existing (or restored or rehabilitated) roadway or bridge deck surface to provide additional strength or to improve serviceability for a substantial time period.
- (11) "Restoration and rehabilitation" means work required to return the existing structure (roadway pavement or bridge deck) to a suitable condition for an additional stage of construction

(bridge deck protective system or resurfacing) or to a suitable condition to perform satisfactorily for a substantial time period. *(Formerly: Acts 1969, c.392, s.1; Acts 1971, P.L.98, SEC.1; Acts 1973, P.L.71, SEC.1.) As amended by Acts 1978, P.L.58, SEC.1; Acts 1980, P.L.74, SEC.217; Acts 1981, P.L.41, SEC.50; P.L.18-1990, SEC.109.*

IC 8-14-2-2

Legislative intent as to use of monies

Sec. 2. It is hereby declared to be the intent of the general assembly that the monies deposited in the primary highway system special account and the local road and street account shall be used exclusively for engineering, land acquisition, construction, resurfacing, restoration, and rehabilitation of highway facilities. *(Formerly: Acts 1969, c.392, s.2; Acts 1971, P.L.98, SEC.2; Acts 1973, P.L.71, SEC.2; Acts 1975, P.L.90, SEC.1.) As amended by Acts 1978, P.L.58, SEC.2.*

IC 8-14-2-2.1

Highway, road, and street fund; creation and function

Sec. 2.1. The auditor shall create a special fund to be known as the "Highway, Road and Street Fund" for the deposit of the revenues from:

- (1) the gasoline and special fuel taxes dedicated to the fund under IC 6-6-1.1-802 and IC 6-6-2.5; and
- (2) the increases in fees levied under IC 9-29-4, IC 9-29-5, IC 9-29-9, and IC 9-29-11, which increases are attributable to Acts 1969, Chapter 321, SECTION 1.

(Formerly: Acts 1971, P.L.98, SEC.3.) As amended by Acts 1978, P.L.58, SEC.3; Acts 1980, P.L.51, SEC.62; P.L.2-1991, SEC.60; P.L.277-1993(ss), SEC.55.

IC 8-14-2-2.5

Repealed

(Repealed by P.L.59-1985, SEC.38.)

IC 8-14-2-3

Credit to state highway fund; appropriation of funds

Sec. 3. (a) The auditor of state shall credit the state highway fund established under IC 8-23-9-54 monthly with fifty-five percent (55%) of the money deposited in the highway, road and street fund.

(b) Funds allocated to the department under this chapter must be appropriated.

(Formerly: Acts 1969, c.392, s.3; Acts 1971, P.L.98, SEC.4; Acts 1975, P.L.90, SEC.2.) As amended by Acts 1978, P.L.58, SEC.4; Acts 1980, P.L.74, SEC.218; Acts 1981, P.L.111, SEC.4; P.L.18-1990, SEC.110.

IC 8-14-2-4

Local road and street account; allocation of funds

Sec. 4. (a) The auditor of state shall establish a special account to be called the "local road and street account" and credit this account monthly with forty-five percent (45%) of the money deposited in the highway, road and street fund.

(b) The auditor shall distribute to units of local government money from this account each month. Before making any other distributions under this chapter, the auditor shall distribute E85 incentive payments to all political subdivisions entitled to a payment under section 8 of this chapter.

(c) After distributing E85 incentive payments required under section 8 of this chapter, the auditor of state shall allocate to each county the remaining money in this account on the basis of the ratio of each county's passenger car registrations to the total passenger car registrations of the state. The auditor shall further determine the suballocation between the county and the cities within the county as follows:

(1) In counties having a population of more than fifty thousand (50,000), sixty percent (60%) of the money shall be distributed on the basis of the population of the city or town as a percentage of the total population of the county and forty percent (40%) distributed on the basis of the ratio of city and town street mileage to county road mileage.

(2) In counties having a population of fifty thousand (50,000) or less, twenty percent (20%) of the money shall be distributed on the basis of the population of the city or town as a percentage of the total population of the county and eighty percent (80%) distributed on the basis of the ratio of city and town street mileage to county road mileage.

(3) For the purposes of allocating funds as provided in this section, towns which become incorporated as a town between the effective dates of decennial censuses shall be eligible for allocations upon the effectiveness of a corrected population count for the town under IC 1-1-3.5.

(4) Money allocated under the provisions of this section to counties containing a consolidated city shall be credited or allocated to the department of transportation of the consolidated city.

(d) Each month the auditor of state shall inform the department of the amounts allocated to each unit of local government from the local road and street account.

(Formerly: Acts 1969, c.392, s.4; Acts 1971, P.L.98, SEC.5; Acts 1973, P.L.71, SEC.3; Acts 1974, P.L.33, SEC.1.) As amended by Acts 1978, P.L.58, SEC.5; Acts 1980, P.L.74, SEC.219; Acts 1981, P.L.11, SEC.54; Acts 1981, P.L.88, SEC.11; P.L.2-1990, SEC.11; P.L.182-2007, SEC.2.

IC 8-14-2-5

Local road and street account; use of funds

Sec. 5. Money from the local road and street account shall be used exclusively by the cities, towns, and counties for:

- (1) engineering, land acquisition, construction, resurfacing, maintenance, restoration, or rehabilitation of both local and arterial road and street systems;
- (2) the payment of principal and interest on bonds sold primarily to finance road, street, or thoroughfare projects;
- (3) any local costs required to undertake a recreational or reservoir road project under IC 8-23-5; or
- (4) the purchase, rental, or repair of highway equipment.

(Formerly: Acts 1969, c.392, s.5; Acts 1971, P.L.98, SEC.6; Acts 1973, P.L.71, SEC.4; Acts 1974, P.L.33, SEC.2; Acts 1975, P.L.91, SEC.1.) As amended by Acts 1978, P.L.58, SEC.6; Acts 1981, P.L.41, SEC.51; P.L.18-1990, SEC.111; P.L.76-1990, SEC.1.

IC 8-14-2-6

Repealed

(Repealed by Acts 1980, P.L.74, SEC.434.)

IC 8-14-2-7

Local road and street account; transfer of surplus allocated money to town general fund

Sec. 7. An included town under IC 36-3-1-7 may transfer surplus allocated monies to the town general fund from the local road and street account if those monies have not been allocated or expended within the previous twenty-four (24) months.

As added by P.L.67-1984, SEC.3.

IC 8-14-2-8

E85 incentive payments to political subdivisions

Sec. 8. (a) This section applies to a political subdivision's purchase of E85 occurring after December 31, 2007.

(b) As used in this section, "administrator" has the meaning set forth in IC 6-6-1.1-103(a).

(c) As used in this section, "E85" has the meaning set forth in IC 6-6-1.1-103(s).

(d) As used in this section, "qualified motor vehicle" means a motor vehicle that may be fueled by E85.

(e) A political subdivision is entitled to a monthly E85 incentive payment under this section if at least seventy-five percent (75%) of the motor fuel purchased by the political subdivision in the preceding calendar month for use in the political subdivision's qualified motor vehicles was E85.

(f) Subject to subsection (j), the amount of a monthly E85 incentive payment to which a political subdivision is entitled under this section is equal to:

- (1) the total number of qualified motor vehicles owned by the political subdivision; multiplied by
- (2) thirty-three dollars and thirty-three cents (\$33.33).

(g) To claim an E85 incentive payment under this section, the fiscal officer of a political subdivision must present to the auditor of state a statement that:

(1) contains a written verification that the incentive payment claim is made under penalties of perjury; and

(2) sets forth:

(A) the total number of qualified motor vehicles owned by the political subdivision;

(B) the total amount of E85 purchased by the political subdivision in the preceding calendar month for use in each qualified motor vehicle described in clause (A); and

(C) the total amount of motor fuel purchased for use in each qualified motor vehicle described in clause (A).

(h) The auditor of state may request the administrator to make investigations the auditor of state considers necessary before issuing an E85 incentive payment under this section. The administrator shall provide any assistance requested under this section. Upon the request of the administrator, a political subdivision shall furnish to the administrator sufficient documentation to prove the validity of the information presented under subsection (g).

(i) If an E85 incentive payment is not issued within ninety (90) days after filing of the verified statement and all supplemental information required by subsection (h), the auditor of state shall pay interest at the rate established by IC 6-8.1-9 computed from the date of filing of the verified statement and all supplemental information required under this section until a date determined by the auditor of state that does not precede by more than thirty (30) days the date on which the E85 incentive payment is made.

(j) A political subdivision is not entitled to an E85 incentive payment for E85 used in a qualified motor vehicle owned by the political subdivision after December 31 of the fifth calendar year of the political subdivision's ownership of the qualified motor vehicle.

(k) A political subdivision may not claim an E85 incentive payment for any purchase of E85 occurring after December 31, 2014.

(l) This section expires January 1, 2019.

As added by P.L.182-2007, SEC.3. Amended by P.L.220-2011, SEC.199.

IC 8-14-3

Chapter 3. Appropriations to Indiana Department of Transportation

IC 8-14-3-1

Repealed

(Repealed by P.L.24-1985, SEC.25(a).)

IC 8-14-3-2.1

Agreements to be performed in more than one fiscal year

Sec. 2.1. The Indiana department of transportation may enter into an agreement that obligates appropriations for work that will be performed in more than one (1) fiscal year.

As added by P.L.24-1985, SEC.18. Amended by P.L.18-1990, SEC.112.

IC 8-14-4

Repealed

(Repealed by Acts 1975, P.L.28, SEC.1.)

IC 8-14-5

Repealed

(Repealed by Acts 1975, P.L.28, SEC.1.)

IC 8-14-6**Chapter 6. Appropriation of Dedicated Highway Funds****IC 8-14-6-1****Budget estimates**

Sec. 1. Where, by virtue of the provisions of any law of this state, any designated portion of the gasoline tax collected by the state shall have been distributed to the several cities of the state to be used for the maintenance and repair of the streets of such cities, such funds shall be under the exclusive control of the common council, and shall be used and expended by, the board of public works of any such city, or the common council thereof, acting as the board of public works. The maintenance and repair of streets, for which any such funds may be used and expended, shall be deemed to include any part of the cost of resurfacing, widening or reconstructing any street or any part thereof which any such city may be liable to pay pursuant to any law authorizing the improvement of streets; Provided, That any such funds so distributed hereafter shall be estimated and included in the published budgets of such municipalities in the year preceding such distribution.

(Formerly: Acts 1932(ss), c.35, s.1.)

IC 8-14-7

Repealed

(Repealed by Acts 1982, P.L.17, SEC.4.)

IC 8-14-8

Chapter 8. Distressed Roads

IC 8-14-8-1

Purpose

Sec. 1. The intent of this chapter is to create a method of providing financial assistance to counties, cities, and towns (referred to as "units" in this chapter) which have serious road and street deficiencies. This chapter has the purpose of enhancing public safety and ensuring the free flow of commerce.

As added by Acts 1981, P.L.88, SEC.12. Amended by P.L.114-1983, SEC.1.

IC 8-14-8-2

Distressed road fund; establishment

Sec. 2. There is established a distressed road fund which is to be administered by the Indiana department of transportation. The distressed road fund is a nonbudgetary, nonreverting fund.

As added by Acts 1981, P.L.88, SEC.12. Amended by P.L.18-1990, SEC.113.

IC 8-14-8-3

"Qualified county"

Sec. 3. For purposes of this chapter, "qualified county" means a county having a population of:

- (1) more than fifty-seven thousand (57,000) but less than sixty thousand (60,000);
- (2) more than forty thousand (40,000) but less than forty-two thousand (42,000);
- (3) more than thirty-three thousand five hundred (33,500) but less than thirty-four thousand (34,000);
- (4) more than thirty thousand (30,000) but less than thirty-two thousand (32,000);
- (5) more than twenty-five thousand eight hundred (25,800) but less than twenty-six thousand (26,000);
- (6) more than eighteen thousand (18,000) but less than nineteen thousand five hundred (19,500);
- (7) more than twenty thousand nine hundred (20,900) but less than twenty-one thousand (21,000);
- (8) more than twelve thousand eight hundred (12,800) but less than thirteen thousand (13,000);
- (9) more than ten thousand (10,000) but less than ten thousand five hundred (10,500); or
- (10) more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000).

As added by Acts 1981, P.L.88, SEC.12. Amended by Acts 1982, P.L.1, SEC.26; P.L.12-1992, SEC.64; P.L.170-2002, SEC.66; P.L.119-2012, SEC.90.

IC 8-14-8-4

Loan; application; requisites

Sec. 4. (a) A qualified county which:

- (1) has adopted the county motor vehicle excise surtax under IC 6-3.5-4 and the county wheel tax under IC 6-3.5-5;
- (2) is imposing the county motor vehicle excise surtax at:
 - (A) the maximum allowable rate, if the qualified county sets a county motor vehicle excise surtax rate under IC 6-3.5-4-2(a)(1); or
 - (B) an amount of not less than twenty dollars (\$20), if the qualified county sets the county motor vehicle excise surtax at a specific amount under IC 6-3.5-4-2(a)(2); and
- (3) has not issued bonds under IC 8-14-9;

may apply to the Indiana department of transportation for a loan from the distressed road fund. At the time of the application, the county shall notify the department of local government finance that it has made the application.

(b) The application must include, at a minimum:

- (1) a map depicting all roads and streets in the system of the applicant; and
- (2) a copy of that county's proposed program of work covering the current and the immediately following calendar year.

As added by Acts 1981, P.L.88, SEC.12. Amended by P.L.18-1990, SEC.114; P.L.255-1996, SEC.6; P.L.90-2002, SEC.315.

IC 8-14-8-5**Loan; evaluation of needs; criteria**

Sec. 5. (a) In evaluating each applicant's needs for a loan from the distressed road fund, the Indiana department of transportation shall use criteria that are consistent with good engineering practices. The criteria used must include, at a minimum:

- (1) traffic counts and projected traffic;
- (2) areas served;
- (3) surface material and conditions;
- (4) base material and depth;
- (5) drainage, including culverts;
- (6) width of roadway and right-of-way;
- (7) soils upon which the road is placed;
- (8) topography; and
- (9) seasonal weather conditions and the effect on road repair and maintenance.

(b) In addition to the criteria listed in subsection (a), the department shall consider the minimum transportation needs of all areas regardless of population or vehicle registration, and the report filed with the department by the department of local government finance under section 6 of this chapter.

As added by Acts 1981, P.L.88, SEC.12. Amended by P.L.18-1990, SEC.115; P.L.90-2002, SEC.316.

IC 8-14-8-6**Report; availability and use of highway money**

Sec. 6. Within thirty (30) days of the date of application for a loan by a qualified county, the department of local government finance shall submit to the Indiana department of transportation a financial report which shall include the following:

- (1) The amount of money available to the county for road construction and maintenance.
- (2) An analysis of the use, during the five (5) years immediately preceding the date of the loan application, of all highway money the county has received.
- (3) Any other information required by the Indiana department of transportation for the processing of loan applications.

As added by Acts 1981, P.L.88, SEC.12. Amended by P.L.114-1983, SEC.2; P.L.18-1990, SEC.116; P.L.90-2002, SEC.317.

IC 8-14-8-7

Loan approval; agreement; terms; repayment

Sec. 7. (a) The Indiana department of transportation shall notify a qualified county that makes a loan application of the department's approval or disapproval of the application within sixty (60) days of the date of application. The decision made by the department to approve or disapprove a loan application is final.

(b) The Indiana department of transportation and each qualified county for which a loan has been approved under this chapter shall enter into a loan agreement which shall specify, as a minimum, the purposes for which the loan is to be used and the terms of repayment of the loan. The terms must be consistent with subsection (c).

(c) The maximum term of repayment of a loan made under this section is ten (10) years. A loan that is repaid within the term of repayment specified in the loan agreement is not subject to interest. If a loan is not fully repaid within the term of repayment, the balance that remains unpaid at the end of the term of repayment is subject to interest at the rate of twelve percent (12%) per year.

As added by Acts 1981, P.L.88, SEC.12. Amended by P.L.114-1983, SEC.3; P.L.18-1990, SEC.117.

IC 8-14-8-8

Receipts from loan repayment; deposit in fund

Sec. 8. All amounts received by the Indiana department of transportation from a county as repayment of a loan made under this chapter, or as payment of interest on a loan made under this chapter, shall be deposited in the distressed road fund.

As added by Acts 1981, P.L.88, SEC.12. Amended by P.L.18-1990, SEC.118.

IC 8-14-8-9

Expenditures not subject to Geometric Design Guide for Local Roads and Streets

Sec. 9. Notwithstanding any other law, expenditure made from the distressed roads fund are not subject to the provisions of the Geometric Design Guide for Local Roads and Streets.

As added by Acts 1982, P.L.79, SEC.2.

IC 8-14-8-10

Loan; qualified county or unit eligible to receive distribution from motor vehicle highway account

Sec. 10. The Indiana department of transportation shall make loans from the distressed road fund:

- (1) to any qualified county under the terms of this chapter; or
- (2) to any unit eligible to receive a distribution from the motor vehicle highway account (IC 8-14-1) under terms of section 11 of this chapter.

As added by P.L.114-1983, SEC.4. Amended by P.L.18-1990, SEC.119.

IC 8-14-8-11

Loan; application; approval; interest; agreement between unit and department; restrictions on funds

Sec. 11. (a) A unit must make application for the loan to the Indiana department of transportation. The application must include, as a minimum:

- (1) a map depicting all roads and streets in the system of the applicant; and
- (2) a copy of that unit's proposed program of work covering the current and the immediately following calendar year.

(b) The Indiana department of transportation shall notify a unit that makes a loan application of the department's approval or disapproval of the application within sixty (60) days of the date of application. The decision made by the department to approve or disapprove is final.

(c) The loan is not subject to the payment of interest or penalty if repaid within two (2) years.

(d) The unit and the Indiana department of transportation shall enter into a written agreement stating the terms of the loan. The agreement must include a provision that the unit directs the auditor of state to withhold distributions from its allocations from the motor vehicle highway account if the loan is not repaid within two (2) years.

(e) Money from a loan made under this section may be used only for the purpose of matching federal aid highway funds.

As added by P.L.114-1983, SEC.5. Amended by P.L.18-1990, SEC.120.

IC 8-14-8-12

Use of funds for matching federal or local money

Sec. 12. Funds in the distressed road fund may be appropriated to the Indiana department of transportation to maintain a working balance in accounts established primarily to facilitate the matching of federal and local money for highway projects.

As added by P.L.113-1983, SEC.3. Amended by P.L.18-1990, SEC.121.

IC 8-14-9

Chapter 9. Local County Road and Bridge Board

IC 8-14-9-1

Repealed

(Repealed by P.L.86-1988, SEC.227.)

IC 8-14-9-2

Repealed

(Repealed by Acts 1982, P.L.1, SEC.71.)

IC 8-14-9-3

Board; establishment; taxing district

Sec. 3. The county council of a qualified county may establish a local county road and bridge board to be known as the Local County Road and Bridge Board of _____ (insert the name of the qualified county) and a special taxing district to be known as the Local County Road and Bridge District of _____ (insert the name of the qualified county). The territory which is within the boundaries of a qualified county constitutes the territory of a special taxing district established by the county council of that qualified county under this chapter.

As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-4

Members; tenure; compensation

Sec. 4. (a) The local county road and bridge board consists of three (3) members appointed by the president of the county council of the county.

(b) All terms of office begin on January 1 and end on December 31. Members of the board serve two (2) year terms. If a vacancy occurs, a qualified person shall be appointed by the president of the county council of the county to serve for the remainder of the term.

(c) A member of the board may be removed for cause by the president of the county council of the county.

(d) Members of the board may not receive a salary. However, board members shall receive reimbursement for necessary expenses, but only if the expenses are incurred in the performance of their duties.

As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-5

Construction projects; adoption of resolution

Sec. 5. (a) Whenever the local county road and bridge board determines that it is necessary for the general welfare of the persons residing within the local county road and bridge district and that it will be of public utility and benefit to the property in the district to carry out a project of construction, reconstruction, or operation of roads or bridges, or both, within the district, the board shall adopt a resolution stating the necessity of the project and the intent of the

district to proceed with the project.

(b) As a part of the resolution, the local county road and bridge board shall:

- (1) adopt preliminary or final plans and specifications for the entire project; and
- (2) determine the estimated cost of all work and all acquisitions necessary to carry out the project.

As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-6

Resolution; public inspection; notice; hearing

Sec. 6. (a) A resolution adopted under section 5 of this chapter shall be made available for public inspection. The board shall publish notice of the adoption. The notice must contain a general description of the resolution, and it must indicate that the resolution and included materials may be inspected at a specified location.

(b) The notice shall be published in one (1) newspaper of general circulation within the local county road and bridge district once each week for two (2) consecutive weeks.

(c) The notice shall specify a date, not less than ten (10) days after the date of last publication, on which the board will conduct a hearing at which interested or affected parties may object to the resolution.

As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-7

Remonstrances; filing; hearing and decision

Sec. 7. (a) At or before the time fixed under section 6 of this chapter for a hearing, any interested or affected party may file with the board a written remonstrance against the proposed project, in whole or in part. At the hearing, which may be adjourned from time to time, the board shall hear all interested persons, and shall finally determine if the project, in whole or in part, is necessary for the general welfare of the persons residing in the district and will be of public utility and benefit to the property in the district. The board may confirm, modify, or rescind the resolution.

(b) The board shall keep a record of its decision on each proposed project, and submit the decision as a resolution to the county council of the qualified county.

As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-8

Resolution; approval by county council; duties of board

Sec. 8. If the county council of a qualified county approves a resolution submitted to it under section 7(b) of this chapter, the local county road and bridge board shall, for purposes of carrying out the project:

- (1) let contracts, in accordance with IC 5-17-1;
- (2) acquire real estate; and
- (3) employ persons by special contract to render professional or

consulting services.
As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-9

Modification of approved projects; new resolutions

Sec. 9. (a) The local county road and bridge board may modify a project approved under section 8 of this chapter if:

- (1) the modification is necessary to carry out the purpose and intent of the resolution; and
- (2) the modifications do not increase the estimated cost determined under section 5(b) of this chapter.

(b) Any modification which does not meet the requirements prescribed by subsection (a) must be made by a new resolution that is adopted and approved in the manner provided by sections 5 through 8 of this chapter.

As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-10

Bonds; issuance; limitations; approval

Sec. 10. (a) Subject to the limitations imposed by this section, the local county road and bridge board may issue bonds in the name of the qualified county for the benefit of the local county road and bridge district. The bonds shall be issued for the purpose of raising money to acquire lands or rights-of-way, and to pay for any capital improvement, necessary for the construction, reconstruction, or operation of roads or bridges, or both, within the district. The local county road and bridge board may appropriate the proceeds of the bonds.

(b) The amount of bonds to be issued may not exceed the estimated cost of:

- (1) all lands and rights-of-way to be acquired;
- (2) capital improvements;
- (3) supervision and inspection fees during the period of construction or reconstruction;
- (4) programming, planning, and designing the capital improvements; and
- (5) all necessary expenses, including publication of notices, engineering fees, architectural fees, and legal fees, incurred in acquiring property, letting contracts, and selling bonds for the project.

The amount of bonds issued for the project may not exceed the estimated cost determined under section 5(b) of this chapter. In addition, the amount of outstanding bonds issued by a county under this chapter may not exceed two percent (2%) of the adjusted value of taxable property located within the local county road and bridge district as determined under IC 36-1-15.

(c) The local county road and bridge board may issue bonds under this chapter only if the issuance of those bonds has been approved by:

- (1) the county council of the qualified county; and

(2) the department of local government finance as required by IC 6-1.1-18.5-8.

(d) A local county road and bridge board may issue bonds under this chapter only if:

(1) the county motor vehicle excise surtax (IC 6-3.5-4) and the county wheel tax (IC 6-3.5-5) are in effect in the county in which the local county road and bridge district is located;

(2) the county motor vehicle excise surtax is being imposed at the maximum allowable rate; and

(3) the county in which the local county road and bridge district is located has not obtained a loan under IC 8-14-8.

(e) No bonds may be issued under this section after June 30, 1984. *As added by Acts 1981, P.L.88, SEC.13. Amended by P.L.73-1983, SEC.17; P.L.3-1990, SEC.31; P.L.6-1997, SEC.134; P.L.90-2002, SEC.318.*

IC 8-14-9-11

Bonds; disclaimer; revenues for payment

Sec. 11. The face of each bond shall include a statement that the bond does not constitute a corporate obligation or indebtedness of the qualified county and that the bond principal and interest are payable only out of the revenues of the local county road and bridge district.

As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-12

Bonds; tax exemption; application of laws

Sec. 12. All bonds and interest on bonds issued under this chapter are exempt from taxation as provided under IC 6-8-5-1. All general laws relating to:

(1) the filing of a petition requesting the issuance of bonds;

(2) the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

(3) the appropriation of the proceeds of the bonds and the approval of the appropriation by the department of local government finance; and

(4) the sale of bonds at public sale for not less than par value; are applicable to proceedings under this chapter.

As added by Acts 1981, P.L.88, SEC.13. Amended by P.L.90-2002, SEC.319; P.L.219-2007, SEC.93; P.L.146-2008, SEC.362.

IC 8-14-9-13

Tax; imposition; limitation

Sec. 13. For the purpose of raising money to pay bonds issued under section 10 of this chapter as the bonds severally mature, and to pay all interest accruing on the bonds, the county council of a

qualified county may, notwithstanding IC 8-18-8-5, impose a special tax on all real and personal property located within the local county road and bridge district. However, the county council may only impose a tax under this section for a particular budget year to the extent that the estimated revenues that the county will receive from the county motor vehicle excise surtax and the county wheel tax during that budget year will be insufficient to pay the principal and interest coming due on those bonds during that budget year. The special tax constitutes the amount of benefits to the property which result from carrying out a project under this chapter.

As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-14

Local county road and bridge district bond fund; deposits; exemption; use

Sec. 14. (a) A separate fund known as the local county road and bridge district bond fund is created for deposit of the following monies:

- (1) revenues collected from the tax imposed under this chapter;
- (2) any appropriation made under section 16 of this chapter; and
- (3) any proceeds remaining from the sale of bonds after payment of all costs and expenses described in section 10(b) of this chapter.

In addition, if there are any outstanding bonds issued under this chapter, then revenues received by the county from the county motor vehicle excise surtax and the county wheel tax shall, notwithstanding IC 6-3.5-4-13 and IC 6-3.5-5-15, be deposited in the local county road and bridge district bond fund. However, this subsection does not apply to county motor vehicle excise surtax and county wheel tax revenues which are to be distributed under IC 6-3.5-4-13 and IC 6-3.5-5-15 to cities and towns located in the county.

(b) Monies in the fund shall be used only for payment of local county road and bridge district bonds as they severally mature, and the interest on those bonds.

(c) Monies in the fund shall be deposited with one (1) depository of other funds of the qualified county. Interest accruing on monies in the fund belongs to the fund.

As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-15

Local county road and bridge construction fund; use; deposits

Sec. 15. (a) All proceeds from the sale of bonds issued under this chapter shall be deposited in a separate fund known as the local county road and bridge district construction fund. Monies in the fund shall be used to pay for:

- (1) any lands or rights-of-way to be acquired for roads or bridges, or both, within the local county road and bridge district;
- (2) any capital improvement necessary for the construction, reconstruction, or operation of roads or bridges, or both, within

the local county road and bridge district; and
(3) any other necessary expenses incurred in carrying out the project.

Monies in the fund may not be used to pay the salaries of employees of the qualified county.

(b) Monies in the fund shall be deposited with any depository of public funds of the qualified county. Interest accruing on monies in the fund belongs to the fund.

As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-16

Bonds; payment; appropriation

Sec. 16. The county council may annually appropriate other monies to the local county road and bridge district bond fund to pay bonds as they severally mature, and to pay interest on the bonds in the year following the appropriation.

As added by Acts 1981, P.L.88, SEC.13.

IC 8-14-9-17

Expenditures not subject to Geometric Design Guide for Local Roads and Streets

Sec. 17. Notwithstanding any other law, expenditures made from the local county road and bridge district construction fund are not subject to the provisions of the Geometric Design Guide for Local Roads and Streets.

As added by Acts 1982, P.L.79, SEC.3. Amended by P.L.86-1988, SEC.16.

IC 8-14-10

Chapter 10. State Highway Road Construction and Improvement Fund

IC 8-14-10-1

"Department" defined

Sec. 1. As used in this chapter, "department" refers to the Indiana department of transportation.

As added by P.L.68-1988, SEC.11. Amended by P.L.18-1990, SEC.122.

IC 8-14-10-2

"Fund" defined

Sec. 2. As used in this chapter, "fund" refers to the state highway road construction and improvement fund.

As added by P.L.68-1988, SEC.11.

IC 8-14-10-3

"Reconstruction" defined

Sec. 3. As used in this chapter, "reconstruction" includes the improvement, enlargement, or extension of a highway, but does not include maintenance or repairs.

As added by P.L.68-1988, SEC.11.

IC 8-14-10-4

"State highway" defined

Sec. 4. As used in this chapter, "state highway" means any highway that is designated as part of the state highway system under IC 8-23-4. The term includes all bridges, tunnels, overpasses, underpasses, interchanges, entrance plazas, approaches, buildings, and facilities that the department considers necessary for the operation of the highway, together with all property, rights, easements, and interests that are acquired by the department for the construction or reconstruction of the highway.

As added by P.L.68-1988, SEC.11. Amended by P.L.18-1990, SEC.123.

IC 8-14-10-5

Establishment of fund

Sec. 5. The state highway road construction and improvement fund is established for the purpose of constructing or reconstructing state highways. The fund consists of distributions received under IC 6-6-1.1-801.5.

As added by P.L.68-1988, SEC.11.

IC 8-14-10-6

Administration of fund

Sec. 6. The fund shall be administered by the department. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as

other public funds may be invested.
As added by P.L.68-1988, SEC.11.

IC 8-14-10-7

Reversion to state general fund

Sec. 7. Money in the fund at the end of a state fiscal year does not revert to the state general fund.
As added by P.L.68-1988, SEC.11.

IC 8-14-10-8

Costs payable from fund

Sec. 8. The department may use the money in the fund only to pay the following costs:

- (1) The cost of construction or reconstruction of a state highway.
- (2) The cost of acquisition of all land, rights-of-way, property, rights, easements, and any other legal or equitable interests acquired by the department for the construction or reconstruction of a state highway, including the cost of any relocations incident to the acquisition.
- (3) The cost of demolishing or removing any buildings, structures, or improvements on property acquired by the department for the construction or reconstruction of a state highway.
- (4) Engineering and legal expenses, and the costs of plans, specifications, surveys, estimates, and any necessary feasibility studies.
- (5) Payment of rentals and performance of other obligations under contracts or leases securing bonds issued under IC 8-14.5-6.

As added by P.L.68-1988, SEC.11. Amended by P.L.246-2005, SEC.77.

IC 8-14-10-9

Crossroads 2000 fund

Sec. 9. (a) The crossroads 2000 fund is established for the purpose of constructing or reconstructing state highways. The crossroads 2000 fund consists of distributions received under IC 9-29-1-2, IC 9-29-15-1, IC 9-29-15-3, IC 9-29-15-4, and IC 9-29-17-14.

(b) The crossroads 2000 fund shall be administered by the department. The treasurer of state shall invest the money in the crossroads 2000 fund not currently needed to meet the obligations of the crossroads 2000 fund in the same manner as other public funds may be invested.

(c) Money in the crossroads 2000 fund at the end of a state fiscal year does not revert to the state general fund.

(d) The department may use the money in the crossroads 2000 fund only to pay the following costs:

- (1) The cost of construction or reconstruction of a state highway.

(2) The cost of acquisition of all land, rights-of-way, property, rights, easements, and any other legal or equitable interests acquired by the department for the construction or reconstruction of a state highway, including the cost of any relocations incident to the acquisition.

(3) The cost of demolishing or removing any buildings, structures, or improvements on property acquired by the department for the construction or reconstruction of a state highway.

(4) Engineering and legal expenses and the costs of plans, specifications, surveys, estimates, and any necessary feasibility studies.

(5) Payment of rentals and performance of other obligations under contracts or leases securing bonds issued under IC 8-14.5-6.

As added by P.L.260-1997(ss), SEC.52. Amended by P.L.246-2005, SEC.78; P.L.92-2013, SEC.3.

IC 8-14-10-10

Grant anticipation fund

Sec. 10. (a) The grant anticipation fund is established to construct and reconstruct state highways. The grant anticipation fund consists of distributions of federal highway revenues (as defined in IC 8-14.5-7-2) made under IC 8-23-3-11.

(b) The grant anticipation fund shall be administered by the department. The treasurer of state shall invest the money in the grant anticipation fund not currently needed to meet the obligations of the grant anticipation fund in the same manner as other public funds may be invested.

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

(d) The department may use the money in the grant anticipation fund only to pay the following costs:

(1) The cost of construction or reconstruction of a highway improvement project.

(2) The cost of acquisition of all land, rights-of-way, property, rights, easements, and any other legal or equitable interests acquired by the department for the construction or reconstruction of a highway improvement project, including the cost of any relocations incident to the acquisition.

(3) The cost of demolishing or removing any buildings, structures, or improvements on property acquired by the department for the construction or reconstruction of a highway improvement project.

(4) Engineering and legal expenses and the costs of plans, specifications, surveys, estimates, and any necessary feasibility studies.

(5) Payment of rentals and performance of other obligations under contracts or leases relating to highway improvement projects securing grant anticipation revenue bonds or notes

issued under IC 8-14.5-7. However, amounts in the grant anticipation fund may not be pledged to such payments.

(e) A holder of grant anticipation revenue bonds or notes issued under IC 8-14.5-7 may not compel the payment of federal highway revenues to the department.

As added by P.L.246-2005, SEC.79.

IC 8-14-11

Chapter 11. Local Bridge Grant Fund

IC 8-14-11-1

"Board" defined

Sec. 1. As used in this chapter, "board" refers to the local bridge grant board established by section 9 of this chapter.

As added by P.L.117-1989, SEC.1.

IC 8-14-11-2

"Construction" defined

Sec. 2. As used in this chapter, "construction" means the building of a local bridge to the extent that new, supplementary, or substantially improved traffic service is provided.

As added by P.L.117-1989, SEC.1.

IC 8-14-11-3

"Department" defined

Sec. 3. As used in this chapter, "department" refers to the Indiana department of transportation.

As added by P.L.117-1989, SEC.1. Amended by P.L.18-1990, SEC.124.

IC 8-14-11-4

"Executive" defined

Sec. 4. As used in this chapter, "executive" has the meaning set forth in IC 36-1-2-5.

As added by P.L.117-1989, SEC.1.

IC 8-14-11-5

"Fund" defined

Sec. 5. As used in this chapter, "fund" refers to the local bridge grant fund established by section 8 of this chapter.

As added by P.L.117-1989, SEC.1.

IC 8-14-11-6

"Local bridge" defined

Sec. 6. As used in this chapter, "local bridge" means a structure that:

- (1) is designed to carry vehicular traffic over or under an obstacle to the normal flow of traffic, including any grade separation, culvert, or approach to a bridge; and
- (2) is located on a public road in a county highway system that is not part of the federally aided highway system.

As added by P.L.117-1989, SEC.1.

IC 8-14-11-7

"Reconstruction" defined

Sec. 7. As used in this chapter, "reconstruction" includes the resurfacing and rebuilding of a local bridge to the extent that

significant structural improvements result.
As added by P.L.117-1989, SEC.1.

IC 8-14-11-8

Establishment of fund; administration

Sec. 8. (a) The local bridge grant fund is established to:

- (1) provide grants to counties for the construction and reconstruction of local bridges; and
- (2) pay the costs of administering this chapter.

The fund shall be administered by the department.

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

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

As added by P.L.117-1989, SEC.1.

IC 8-14-11-9

Board; establishment; members; tenure; compensation; quorum

Sec. 9. (a) The local bridge grant board is established to receive and review applications for grants under this chapter. The board consists of the following members:

- (1) The director of the department, or the director's designee.
- (2) Six (6) persons appointed by the governor, no more than three (3) of whom may be of the same political party, as follows:
 - (A) Two (2) members of a county executive.
 - (B) One (1) county highway engineer.
 - (C) One (1) mayor of a city.
 - (D) One (1) member of a town board of trustees.
 - (E) One (1) person with substantial experience or education in the design or construction of bridges.

A member appointed under clause (A), (B), (C), or (D) who ceases to hold the office described in that clause ceases to be a member of the board.

(b) The governor shall designate a member of the board to serve as chairman.

(c) Members of the board who are appointed by the governor serve for terms of four (4) years. The governor shall fill a vacancy on the board by appointing a new member to serve the remainder of the unexpired term.

(d) A member of the board, other than the director of the department, is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Each member of the board is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the budget agency.

(e) Four (4) members of the board constitute a quorum. The

affirmative votes of four (4) members of the board are required for the board to take any action.

As added by P.L.117-1989, SEC.1.

IC 8-14-11-10

Board support staff

Sec. 10. The department shall provide staff support to the board.

As added by P.L.117-1989, SEC.1.

IC 8-14-11-11

Grant application evaluation criteria

Sec. 11. The board shall establish criteria to be used in evaluating applications for grants from the fund. These criteria:

- (1) must be consistent with the purposes of the federal local bridge program (23 U.S.C. 144(n));
- (2) must be based on good engineering practices; and
- (3) must provide for an equitable distribution of grants to counties located throughout Indiana.

As added by P.L.117-1989, SEC.1.

IC 8-14-11-12

Grant application; requirements

Sec. 12. (a) The executive of a county may apply to the board for a grant from the fund to be used to pay up to eighty percent (80%) of the cost of construction or reconstruction of one (1) or more local bridges. At the time of the application, the county executive shall notify the department of local government finance that the county has made the application.

(b) The application must include the following:

- (1) A description of the construction or reconstruction projects for which the grant application is made.
- (2) The estimated cost of the projects.
- (3) The amount of funding the county will provide for the projects, which must be at least twenty percent (20%) of the estimated cost of the projects. This amount may include the value of labor and materials to be provided by the county.
- (4) Any other information that the board or the department considers necessary.

As added by P.L.117-1989, SEC.1. Amended by P.L.90-2002, SEC.320.

IC 8-14-11-13

Grant application financial report

Sec. 13. Within thirty (30) days after a county applies for a grant under section 12 of this chapter, the department of local government finance shall submit to the department a financial report that includes the following information:

- (1) The amount of money available to the county for the construction and reconstruction of local bridges.
- (2) Any other information required by the board or the

department for the processing of grant applications.
As added by P.L.117-1989, SEC.1. Amended by P.L.90-2002, SEC.321.

IC 8-14-11-14

Evaluation of grant application; approval; notice

Sec. 14. The board shall use the criteria established under section 11 of this chapter and the report submitted under section 13 of this chapter to evaluate an application for a grant from the fund. The board shall notify a county that makes a grant application of the board's approval or disapproval of the application within sixty (60) days of the date of the application. The board's decision to approve or disapprove a grant application is final.

As added by P.L.117-1989, SEC.1.

IC 8-14-11-15

Agreement; terms

Sec. 15. The board and each county for which a grant has been approved under this chapter shall enter into an agreement specifying the purposes for which the grant may be used. The terms of the agreement must be consistent with the purposes of this chapter.

As added by P.L.117-1989, SEC.1.

IC 8-14-12

Chapter 12. Historic Bridge Maintenance Grant

IC 8-14-12-1

"Grant" defined

Sec. 1. As used in this chapter, "grant" refers to a historic bridge maintenance grant under this chapter.

As added by P.L.158-2001, SEC.1.

IC 8-14-12-2

"Historic bridge" defined

Sec. 2. As used in this chapter, "historic bridge" means a bridge that meets the following requirements:

(1) Is listed on:

(A) the National Register of Historic Places; or

(B) the register of Indiana historic sites and historic structures established under IC 14-21-1.

(2) Is not a covered bridge receiving funding for maintenance under IC 8-14-1-10.

As added by P.L.158-2001, SEC.1.

IC 8-14-12-3

Requests for grants

Sec. 3. Before June 1 of each year, the county executive of a county having a historic bridge located on the county's road system may request a grant.

As added by P.L.158-2001, SEC.1.

IC 8-14-12-4

Amount of grants

Sec. 4. Subject to the amount appropriated by the general assembly for historic bridge maintenance grants and not to exceed one hundred thousand dollars (\$100,000) per state fiscal year, the annual grant amount for a county is one thousand two hundred fifty dollars (\$1,250) for each historic bridge located on the county's road system.

As added by P.L.158-2001, SEC.1.

IC 8-14-12-5

Distributions

Sec. 5. Before September 1 of each year and subject to available funding, the auditor of state shall, by warrant drawn on the treasurer of state, distribute from the state general fund to each county the total amount to which the county is entitled for a grant under this chapter.

As added by P.L.158-2001, SEC.1.

IC 8-14-12-6

Commingling and accumulating money

Sec. 6. A county executive may commingle and accumulate money received under this chapter with money received under

IC 8-14-1-10 for the maintenance of covered bridges.
As added by P.L.158-2001, SEC.1.

IC 8-14-12-7

Permitted uses

Sec. 7. A county executive shall use money received under this chapter only to maintain historic bridges or covered bridges in the county in a manner that the county executive determines.

As added by P.L.158-2001, SEC.1.

IC 8-14-14

Chapter 14. Major Moves Construction Fund

IC 8-14-14-1

"Authority"

Sec. 1. As used in this chapter, "authority" refers to the Indiana finance authority established by IC 4-4-11-4.

As added by P.L.47-2006, SEC.5.

IC 8-14-14-2

"Department"

Sec. 2. As used in this chapter, "department" refers to the Indiana department of transportation.

As added by P.L.47-2006, SEC.5.

IC 8-14-14-3

"Fund"

Sec. 3. As used in this chapter, "fund" refers to the major moves construction fund established by section 5 of this chapter.

As added by P.L.47-2006, SEC.5.

IC 8-14-14-4

"Transportation plan"

Sec. 4. As used in this chapter, "transportation plan" refers to the department's long range comprehensive transportation plan developed under IC 8-23-2-5.

As added by P.L.47-2006, SEC.5.

IC 8-14-14-5

Establishment of fund; administration

Sec. 5. (a) The major moves construction fund is established for the purpose of:

- (1) funding projects, other than passenger or freight railroad systems as described in IC 8-15.7-2-14(a)(4), under IC 8-15.7 or IC 8-15-3;
- (2) funding other projects in the department's transportation plan; and
- (3) funding distributions under sections 6 and 7 of this chapter.

(b) The fund shall be administered by the department.

(c) Notwithstanding IC 5-13, the treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as money is invested by the Indiana public retirement system under IC 5-10.3-5. However, the treasurer of state may not invest the money in the fund in equity securities. The treasurer of state may contract with investment management professionals, investment advisors, and legal counsel to assist in the investment of the fund and may pay the state expenses incurred under those contracts from the fund. Interest that accrues from these investments shall be deposited in the fund.

(d) The fund consists of the following:

- (1) Distributions to the fund from the toll road fund under IC 8-15.5-11.
 - (2) Distributions to the fund from the next generation trust fund under IC 8-14-15.
 - (3) Appropriations to the fund.
 - (4) Gifts, grants, loans, bond proceeds, and other money received for deposit in the fund.
 - (5) Revenues arising from:
 - (A) a tollway under IC 8-15-3 or IC 8-23-7-22; or
 - (B) a toll road under IC 8-15-2 or IC 8-23-7-23;that the department designates as part of, and deposits in, the fund.
 - (6) Payments, other than payments for passenger or freight railroad systems as described in IC 8-15.7-2-14(a)(4), made to the authority or the department from operators under IC 8-15.7.
 - (7) Interest, premiums, or other earnings on the fund.
- (e) The fund is considered a trust fund for purposes of IC 4-9.1-1-7. Money may not be transferred, assigned, or otherwise removed from the fund by the state board of finance, the budget agency, or any other state agency.
- (f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.
- (g) Money in the fund must be appropriated by the general assembly to be available for expenditure.
- As added by P.L.47-2006, SEC.5. Amended by P.L.203-2007, SEC.2; P.L.35-2012, SEC.95.*

IC 8-14-14-6

Distributions from the fund

Sec. 6. (a) If the authority enters into a public-private agreement concerning the Indiana Toll Road under IC 8-15.5, the auditor of state shall make the following distributions from the fund for the indicated purposes:

(1) One hundred fifty million dollars (\$150,000,000) to the treasurer of state for deposit in the motor vehicle highway account established by IC 8-14-1. Notwithstanding IC 8-14-1, on or before October 15, 2006, and on or before October 15, 2007, the auditor of state shall distribute seventy-five million dollars (\$75,000,000) of the money deposited in the motor vehicle highway account under this subdivision to each of the counties, cities, and towns eligible to receive a distribution from the motor vehicle highway account under IC 8-14-1 and in the same proportion among the counties, cities, and towns as funds are distributed from the motor vehicle highway account under IC 8-14-1. The auditor of state:

- (A) shall make the distributions required by this subdivision separately from distributions required by IC 8-14-1; and
- (B) may not combine the distributions required by this subdivision with distributions required by IC 8-14-1.

Money distributed under this subdivision may be used only for

purposes that money distributed from the motor vehicle highway account may be expended under IC 8-14-1.

(2) The following amounts to the northwest Indiana regional development authority for deposit in the development authority fund established under IC 36-7.5-4-1:

(A) Forty million dollars (\$40,000,000) during the state fiscal year beginning July 1, 2006. During the state fiscal year beginning July 1, 2006, the regional development authority must pay at least twenty million dollars (\$20,000,000) of the distribution received under this clause to an airport authority that is carrying out an airport expansion project described in IC 36-7.5-2-1(2).

(B) Eighty million dollars (\$80,000,000) to be distributed in installments of ten million dollars (\$10,000,000) during the state fiscal year beginning July 1, 2007, and each of the seven (7) state fiscal years thereafter.

However, no distributions may be made under clause (B) until the development authority's comprehensive strategic development plan prepared under IC 36-7.5-3-4 has been reviewed by the budget committee and approved by the director of the office of management and budget. In addition, no distributions may be made under clause (B) during the state fiscal years beginning July 1, 2009, July 1, 2011, and July 1, 2013, unless the budget committee has reviewed the status of the plan and any changes to the plan.

(3) The following amounts to each of the following counties on or before September 15, 2006, for deposit in local major moves construction funds under IC 8-14-16:

(A) Forty million dollars (\$40,000,000) to each county described in IC 8-14-16-1(1) through IC 8-14-16-1(5). However, if a county described in IC 8-14-16-1(3) becomes a member of the northwest Indiana regional development authority, the distribution to that county is twenty-five million dollars (\$25,000,000) instead of forty million dollars (\$40,000,000).

(B) Twenty-five million dollars (\$25,000,000) to each county described in IC 8-14-16-1(6).

(C) Fifteen million dollars (\$15,000,000) to each county described in IC 8-14-16-1(7).

(4) One hundred seventy-nine million dollars (\$179,000,000) during the state fiscal year beginning July 1, 2006, to the state highway fund for use by the department for preliminary engineering, purchase of rights-of-way, or construction of highways, roads, and bridges. After review by the budget committee, and subject to the approval of the governor, the budget agency may augment this distribution from balances available in the fund.

(5) An amount sufficient to provide for the payments owed by the authority as a result of a written agreement entered into under IC 8-15.5-7-6 to fund reductions in, or refunds of, user

fees imposed on Class 2 vehicles, or to establish or replenish the reserves therefore, to the administration account of the toll road fund. The budget agency shall determine the amount of the distributions required to be made by this subdivision for each state fiscal year beginning with the state fiscal year ending June 30, 2007, and ending with the state fiscal year ending June 30, 2016.

(6) An amount sufficient to make any payments required by IC 5-10.3-6-8.9 as a result of a public-private agreement under IC 8-15.5.

(b) There is annually appropriated from the fund an amount sufficient to make any distributions required by subsection (a).

As added by P.L.47-2006, SEC.5.

IC 8-14-14-7

Additional distributions from the fund

Sec. 7. (a) In addition to any distributions required by section 6 of this chapter, money in the fund may be used for any of the following purposes:

(1) Except as provided in subsection (b), the payment of any obligation incurred or amounts owed by the authority, the department, or an operator under IC 8-15-2, IC 8-15-3, IC 8-15.5, or IC 8-15.7 in connection with the execution and performance of a public-private agreement under IC 8-15.5 or IC 8-15.7, including establishing reserves.

(2) Lease payments to the authority, if money for those payments is specifically appropriated by the general assembly.

(3) Distributions to the treasurer of state for deposit in the state highway fund, for the funding of any project in the department's transportation plan.

(b) Money in the fund may not be used for the payment of an obligation incurred or amounts owed by the authority, the department, or an operator under IC 8-15.7 in connection with a public-private agreement under IC 8-15.7 concerning a passenger or freight railroad system as described in IC 8-15.7-2-14(a)(4).

As added by P.L.47-2006, SEC.5. Amended by P.L.203-2007, SEC.3.

IC 8-14-14-8

Allocation of distributions for certain projects

Sec. 8. (a) The total amount of distributions from the fund for projects or purposes that benefit a county traversed by the Indiana Toll Road may not be less than thirty-four percent (34%) of:

(1) the money that is transferred to the fund from the toll road fund under IC 8-15.5-11; plus

(2) the amount initially set aside in the administration account of the toll road fund to establish an escrow account to implement a written agreement entered into under IC 8-15.5-7-6 to fund reductions in, or refunds of, user fees imposed on Class 2 vehicles.

(b) The budget agency shall determine the amount of distributions

required by this section. In making the determination, the budget agency shall include the following amounts:

- (1) Amounts distributed to counties traversed by the Indiana Toll Road under section 6(a)(1) of this chapter.
- (2) Money distributed to the northwest Indiana regional development authority under this chapter.
- (3) Money distributed under section 6(a)(3) of this chapter.
- (4) Projects carried out by the department in counties traversed by the Indiana Toll Road and funded with money distributed under section 6(a)(4) of this chapter.
- (5) The amount initially set aside in the administration account of the toll road fund to establish an escrow account to implement a written agreement entered into under IC 8-15.5-7-6 to fund reductions in, or refunds of, user fees imposed on Class 2 vehicles.
- (6) Money transferred to the administration account of the toll road fund under section 6(a)(5) of this chapter.
- (7) Payments to the Indiana public retirement system required by section 6(a)(6) of this chapter.

As added by P.L.47-2006, SEC.5. Amended by P.L.35-2012, SEC.96.

IC 8-14-14.1

Chapter 14.1. Major Moves 2020 Trust Fund

IC 8-14-14.1-1

"Department"

Sec. 1. As used in this chapter, "department" refers to the Indiana department of transportation.

As added by P.L.205-2013, SEC.135.

IC 8-14-14.1-2

"Fund"

Sec. 2. As used in this chapter, "fund" refers to the major moves 2020 trust fund established by section 3 of this chapter.

As added by P.L.205-2013, SEC.135.

IC 8-14-14.1-3

Establishment of the fund

Sec. 3. (a) The major moves 2020 trust fund is established, to be used exclusively for major highway expansion projects that enhance the ability of goods to be transported in and through Indiana.

(b) The fund shall be administered by the department.

(c) Notwithstanding IC 5-13, the treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as money is invested by the Indiana public retirement system under IC 5-10.3-5. However, the treasurer of state may not invest the money in the fund in equity securities. The treasurer of state may contract with investment management professionals, investment advisors, and legal counsel to assist in the investment of the fund and may pay the state expenses incurred under those contracts from the fund. Interest that accrues from these investments shall be deposited in the fund.

(d) The fund consists of:

(1) money transferred to the fund under subsection (h); and

(2) any interest or other earnings on money in the fund.

(e) The fund is considered a trust fund for purposes of IC 4-9.1-1-7. Money may not be transferred, assigned, or otherwise removed from the fund by the state board of finance, the budget agency, or any other state agency. IC 4-9.1-1-8 and IC 4-9.1-1-9 do not apply to the fund.

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

(g) Money in the fund must be appropriated by the general assembly to be available for expenditure.

(h) On July 1, 2013, and on July 1, 2014, the auditor of state shall transfer two hundred million dollars (\$200,000,000) to the fund from the state general fund. There is annually appropriated from the state general fund an amount sufficient to make the transfer under this subsection.

As added by P.L.205-2013, SEC.135.

IC 8-14-15

Chapter 15. Next Generation Trust Fund

IC 8-14-15-1

"Authority"

Sec. 1. As used in this chapter, "authority" refers to the Indiana finance authority.

As added by P.L.47-2006, SEC.6.

IC 8-14-15-2

"Trust"

Sec. 2. As used in this chapter, "trust" refers to the next generation trust fund established under this chapter.

As added by P.L.47-2006, SEC.6.

IC 8-14-15-3

"Trustee"

Sec. 3. As used in this chapter, "trustee" refers to the trustee of the trust designated under section 7 of this chapter.

As added by P.L.47-2006, SEC.6.

IC 8-14-15-4

Establishment of trust

Sec. 4. (a) The authority shall establish a next generation trust fund to hold title to proceeds transferred to the trust under IC 8-15.5-11 to be used exclusively for the provision of highways, roads, and bridges for the benefit of the people of Indiana and the users of those facilities.

(b) The trust shall be established as a charitable trust, separate from the state, but for the benevolent public purpose provided in this section.

(c) The trust consists of the proceeds transferred to the trust under IC 8-15.5-11 and any income that accrues from the investment of these proceeds.

As added by P.L.47-2006, SEC.6.

IC 8-14-15-5

Trust agreement

Sec. 5. The chairman of the authority shall enter into a trust agreement on behalf of the authority with the treasurer of state in conformity with IC 30-4-2-1. Any provision of the trust agreement entered into under this section that is inconsistent with the provisions or intent of this chapter is void and of no further force or effect.

As added by P.L.47-2006, SEC.6.

IC 8-14-15-6

Irrevocable status of trust

Sec. 6. A trust established under this chapter must be an irrevocable trust and may not be revoked or terminated by the authority or any other person, nor may it be amended or altered by

the authority or any other person. However, the terms of the trust must provide that the trust terminates when no funds remain in the trust.

As added by P.L.47-2006, SEC.6.

IC 8-14-15-7

Treasurer of state to act as trustee

Sec. 7. The treasurer of state shall act as the trustee of the trust.

As added by P.L.47-2006, SEC.6.

IC 8-14-15-8

Duties of trustee

Sec. 8. (a) The trustee shall:

- (1) administer and manage the trust;
- (2) invest the money in the trust; and
- (3) deposit in the trust any interest that accrues from the investment of these funds.

(b) Notwithstanding IC 5-13, the trustee shall invest the money in the trust not currently needed to meet the obligations of the trust in the same manner as money is invested by the Indiana public retirement system under IC 5-10.3-5. However, the trustee may not invest the money in the trust in equity securities. The trustee shall also comply with the prudent investor rule set forth in IC 30-4-3.5. The trustee may contract with investment management professionals, investment advisors, and legal counsel to assist in the investment of the trust and may pay the state expenses incurred under those contracts from the trust.

(c) IC 4-9.1-1-8 and IC 4-9.1-1-9 do not apply to a trust established under this chapter.

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

As added by P.L.47-2006, SEC.6. Amended by P.L.35-2012, SEC.97.

IC 8-14-15-9

Application of trust code

Sec. 9. IC 30-4 (trust code) applies to a trust established under this chapter.

As added by P.L.47-2006, SEC.6.

IC 8-14-15-10

Distributions from trust

Sec. 10. (a) The principal of the trust may not be diminished during the term of the trust.

(b) The income that accrues from investment of the trust shall be deposited in the trust.

(c) On March 15, 2011, March 15, 2016, and March 15 every five (5) years thereafter, the treasurer of state shall transfer all interest accruing to the trust to the major moves construction fund.

As added by P.L.47-2006, SEC.6.

IC 8-14-15-11**Access to annual report; petition for accounting**

Sec. 11. The report required under IC 30-4-5-12 is a public record. The attorney general may petition for an accounting as permitted by IC 30-4-5-12.

As added by P.L.47-2006, SEC.6.

IC 8-14-15-12**Petition for remedies**

Sec. 12. (a) This section applies if a person does any of the following with respect to a trust created under this chapter:

- (1) Commits a breach of the trust.
- (2) Violates the mandate of the trust or trust agreement.
- (3) Violates a duty imposed by this chapter, the trust agreement, or IC 30-4.

(b) The attorney general may petition a court to impose one (1) or more of the remedies described in IC 30-4-5.5-1.

As added by P.L.47-2006, SEC.6.

IC 8-14-15-13**Examination of records by state board of accounts**

Sec. 13. Any records, files, or documents relating to the trust may be examined by the state board of accounts at a time selected by the state board of accounts. The trustee shall upon request of the state board of accounts:

- (1) produce and submit any records, files, or documents related to the trust; and
- (2) assist in every way the state board of accounts in its work in making an examination.

As added by P.L.47-2006, SEC.6.

IC 8-14-16

Chapter 16. Local Major Moves Construction Funds

IC 8-14-16-1

Application

Sec. 1. This chapter applies only to the following counties:

- (1) A county having a population of more than thirty-four thousand (34,000) but less than thirty-four thousand three hundred (34,300).
- (2) A county having a population of more than thirty-seven thousand one hundred twenty-five (37,125) but less than thirty-seven thousand five hundred (37,500).
- (3) A county having a population of more than one hundred eleven thousand (111,000) but less than one hundred fifteen thousand (115,000).
- (4) A county having a population of more than one hundred eighty-five thousand (185,000) but less than two hundred fifty thousand (250,000).
- (5) A county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000).
- (6) A county having a population of more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000).
- (7) A county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

As added by P.L.47-2006, SEC.7. Amended by P.L.119-2012, SEC.91.

IC 8-14-16-2

"Fund"

Sec. 2. As used in this chapter, "fund" refers to a local major moves construction fund established under section 4 of this chapter.

As added by P.L.47-2006, SEC.7.

IC 8-14-16-3

Distributions by county auditor

Sec. 3. Money distributed to a county described in section 1 of this chapter from the major moves construction fund under IC 8-14-14-6(a)(3) shall be distributed by the county auditor among the county and each of the cities and towns in the county that is eligible to receive a distribution from the motor vehicle highway account under IC 8-14-1, in the same proportion among the county, cities, and towns as funds are distributed from the motor vehicle highway account under IC 8-14-1.

As added by P.L.47-2006, SEC.7.

IC 8-14-16-4

Establishment of funds

Sec. 4. (a) Each county, city, or town that receives a distribution under section 3 of this chapter shall establish a local major moves construction fund.

(b) The fund consists of money distributed to the county, city, or town from the major moves construction fund under section 3 of this chapter.

(c) The fiscal officer of the county, city, or town shall administer the fund.

(d) Subject to subsection (f), the fiscal body of the county, city, or town may appropriate money in the fund for a purpose described in section 5 of this chapter. The appropriations of money in the fund must be included as a part of the annual budget for the calendar year in accordance with IC 6-1.1-17.

(e) Money remaining in the fund at the end of a particular calendar year remains in the fund and does not revert to any other fund.

(f) A county fiscal body must consult with the county executive before making an appropriation under this section.

As added by P.L.47-2006, SEC.7.

IC 8-14-16-5

Uses of money in fund

Sec. 5. Money in the fund may be expended only for the following purposes:

(1) Construction of highways, roads, and bridges.

(2) In a county that is a member of the northwest Indiana regional development authority, or in a city or town located in such a county, any purpose for which the regional development authority may make expenditures under IC 36-7.5.

(3) Providing funding for economic development projects (as defined in IC 6-3.5-7-13.1(c)(1) or IC 6-3.5-7-13.1(c)(2)(A) through IC 6-3.5-7-13.1(c)(2)(K)).

(4) Matching federal grants for a purpose described in this section.

(5) Providing funding for interlocal agreements under IC 36-1-7 for a purpose described in this section.

(6) Providing the county's, city's, or town's contribution to a regional development authority established under IC 36-7.6-2-3.

As added by P.L.47-2006, SEC.7. Amended by P.L.232-2007, SEC.6.

IC 8-14-17

Chapter 17. Alternative Transportation Construction Fund

IC 8-14-17-1

"Authority"

Sec. 1. As used in this chapter, "authority" refers to the Indiana finance authority established by IC 4-4-11-4.

As added by P.L.203-2007, SEC.4.

IC 8-14-17-2

"Department"

Sec. 2. As used in this chapter, "department" refers to the Indiana department of transportation.

As added by P.L.203-2007, SEC.4.

IC 8-14-17-3

"Fund"

Sec. 3. As used in this chapter, "fund" refers to the alternative transportation construction fund established by section 4 of this chapter.

As added by P.L.203-2007, SEC.4.

IC 8-14-17-4

Fund established; administration and sources

Sec. 4. (a) The alternative transportation construction fund is established for the purpose of:

- (1) funding projects under IC 8-15.7 for passenger and freight railroad systems as described in IC 8-15.7-2-14(a)(4); and
- (2) funding distributions under section 5 of this chapter.

(b) The fund shall be administered by the department.

(c) Notwithstanding IC 5-13, the treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as money is invested by the Indiana public retirement system under IC 5-10.3-5. However, the treasurer of state may not invest the money in the fund in equity securities. The treasurer of state may contract with investment management professionals, investment advisers, and legal counsel to assist in the investment of the fund and may pay the state expenses incurred under those contracts from the fund. Interest that accrues from these investments shall be deposited in the fund.

(d) The fund consists of the following:

- (1) Appropriations to the fund.
- (2) Gifts, grants, loans, bond proceeds, and other money received for deposit in the fund.
- (3) Payments made to the authority or the department from operators under IC 8-15.7 concerning passenger and freight railroad systems as described in IC 8-15.7-2-14(a)(4).
- (4) Interest, premiums, or other earnings on the fund.

(e) The fund is considered a trust fund for purposes of IC 4-9.1-1-7. Money may not be transferred, assigned, or otherwise

removed from the fund by the state board of finance, the budget agency, or any other state agency.

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

(g) Money in the fund must be appropriated by the general assembly to be available for expenditure.

As added by P.L.203-2007, SEC.4. Amended by P.L.35-2012, SEC.98.

IC 8-14-17-5

Uses of fund

Sec. 5. Money in the fund may be used for any of the following purposes:

(1) The payment of any obligation incurred or amounts owed by the authority, the department, or an operator under IC 8-15.7 in connection with the execution and performance of a public-private agreement under IC 8-15.7 for a passenger or freight railroad system as described in IC 8-15.7-2-14(a)(4).

(2) Lease payments to the authority, if money for those payments is specifically appropriated by the general assembly.

As added by P.L.203-2007, SEC.4.