SENATE BILL No. 543

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-9-13-1; IC 36-7-31.5.

Synopsis: Marion County sports development area. Establishes an additional professional sports development area in Marion County to capture state and local revenue for capital improvements. Provides for the issuance of indebtedness to finance a multipurpose soccer stadium.

Effective: Upon passage.

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January 15, 2019, read first time and referred to Committee on Appropriations.
SENATE BILL No. 543

A BILL FOR AN ACT to amend the Indiana Code concerning local government and to make an appropriation.

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

SECTION 1. IC 6-9-13-1, AS AMENDED BY P.L.214-2005, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Except as provided in subsection (b), the city-county council of a county that contains a consolidated first class city may adopt an ordinance to impose an excise tax, known as the county admissions tax, for the privilege of attending, before January 1, 2041, any event and, after December 31, 2040, any professional sporting event:

(1) held in a facility financed in whole or in part by:

(A) bonds or notes issued under IC 18-4-17 (before its repeal on September 1, 1981), IC 36-10-9, or IC 36-10-9-1; or

(B) a lease or other agreement under IC 5-1-17 or IC 36-7-31.5; and

(2) to which tickets are offered for sale to the public by:

(A) the box office of the facility; or

(B) an authorized agent of the facility.

(b) The excise tax imposed under subsection (a) does not apply to
the following:

1. An event sponsored by an educational institution or an association representing an educational institution.
2. An event sponsored by a religious organization.
3. An event sponsored by an organization that is considered a charitable organization by the Internal Revenue Service for federal tax purposes.
4. An event sponsored by a political organization.

(c) If a city-county council adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(d) If a city-county council adopts an ordinance under subsection (a) or section 2 of this chapter prior to June 1, the county admissions tax applies to admission charges collected after June 30 of the year in which the ordinance is adopted. If the city-county council adopts an ordinance under subsection (a) or section 2 of this chapter on or after June 1, the county admissions tax applies to admission charges collected after the last day of the month in which the ordinance is adopted.

SECTION 2. IC 36-7-31.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 31.5. Additional Professional Sports Development Area in a County Containing a Consolidated City

Sec. 1. (a) This chapter applies only to a county having a consolidated city.

(b) The authority for the creation of a professional sports development area under this chapter is in addition to the authority for the creation of a professional sports development area under IC 36-7-31.

Sec. 2. As used in this chapter, "bonds" means bonds, notes, or other evidence of indebtedness.

Sec. 3. As used in this chapter, "budget agency" means the budget agency created by IC 4-12-1.

Sec. 4. As used in this chapter, "budget committee" has the meaning set forth in IC 4-12-1-3.

Sec. 5. As used in this chapter, "capital improvement" means any facility or complex of facilities established as part of an additional professional sports development area under section 16 of this chapter.

Sec. 6. As used in this chapter, "capital improvement board" refers to the capital improvement board of managers created by
IC 36-10-9-3.

Sec. 7. As used in this chapter, "city" refers to the city of Indianapolis, Indiana.

Sec. 8. As used in this chapter, "commission" refers to the metropolitan development commission acting as the redevelopment commission of a consolidated city.

Sec. 9. As used in this chapter, "covered taxes" means the following:

(1) The state gross retail tax imposed under IC 6-2.5-2-1 or use tax imposed under IC 6-2.5-3-2, including any of these taxes paid by any contractor for materials used in the construction of any facility located in the tax area, regardless of where the materials are purchased.

(2) An adjusted gross income tax imposed under IC 6-3-2-1 on an individual living in the tax area, an individual working in the tax area, and a contractor that constructs any facility located in the tax area to the extent that any adjusted gross income is derived from the construction of any facility located in the tax area.

(3) A tax imposed under IC 6-3.6 on an individual living in the tax area, an individual working in the tax area, and a contractor that constructs any facility located in the tax area to the extent that any adjusted gross income is derived from the construction of any facility located in the tax area.

Sec. 10. As used in this chapter, "department" refers to the department of state revenue.

Sec. 11. As used in this chapter, "facility" means all or any part of one (1) or more buildings, structures, or improvements constituting a capital improvement. The term refers to and includes a capital improvement.

Sec. 12. As used in this chapter, "facilities authority" refers to the county convention and recreational facilities authority created by IC 36-10-9.1.

Sec. 13. As used in this chapter, "tax area" means a geographic area established by a commission as an additional professional sports development area under section 20 of this chapter.

Sec. 14. As used in this chapter, "taxpayer" means a person that is liable for a covered tax.

Sec. 15. (a) The general assembly finds the following:

(1) Marion County and municipalities located in Marion County face unique and distinct challenges and opportunities related to economic development issues associated with the
construction of facilities that would host professional soccer
and other sporting and entertainment events in the city.
(2) A unique approach is required to ensure that the facilities
can be maintained to allow Marion County and those
municipalities to meet these challenges and opportunities.
(3) The powers and responsibilities provided to Marion
County, the city, the facilities authority, and the capital
improvement board created by this chapter are appropriate
and necessary to carry out the public purposes of encouraging
and fostering economic development in central Indiana and
constructing facilities that would host professional soccer and
other sporting and entertainment events in the city.
(4) Encouragement of economic development in central
Indiana will:
  (A) generate significant economic activity, which may
      attract new businesses and encourage existing businesses
to remain or expand in central Indiana;
  (B) promote central Indiana to residents outside Indiana,
      which may attract residents outside Indiana and new
      businesses to relocate to central Indiana;
  (C) protect and increase state and local tax revenues; and
  (D) encourage overall economic growth in central Indiana
      and in Indiana.
(b) Marion County faces unique challenges in the development
of infrastructure and other facilities necessary to promote
economic development:
  (1) as a result of its need to rely on sources of revenue other
      than property taxes;
  (2) due to the large number of tax exempt properties located
      in Marion County;
  (3) because the city is the seat of state government and
      Marion County government; and
  (4) because Marion County is home to multiple institutions of
      higher education and the site of numerous state and regional
      nonprofit corporations.
(c) Economic development benefits the health and welfare of the
people of Indiana, is a public use and purpose for which public
money may be spent, and is of public utility and benefit.
Sec. 16. (a) A commission may establish as part of an additional
professional sports development area any facility or complex of
facilities that is:
  (1) used to hold a professional sporting event, and which in
addition, may be used to hold other entertainment events, including any publicly owned parking garage, plaza, or infrastructure that is constructed or renovated in connection with the construction of the facility used to hold a professional sporting event;
(2) used in the training of a team engaged in professional sporting events;
(3) used in whole or in part to manage and operate the professional team that would participate in the facility used to hold a professional sporting event; or
(4) a mixed use development, consisting, in part, of retail space, office space, apartment dwelling units, and one (1) or more hotels.

The tax area may include a facility described in this subsection and any parcel of land on which the facility is located. An area may contain noncontiguous tracts of land within the county. The area must be separate from other professional sports development areas established under IC 36-7-31.

Sec. 17. (a) A tax area must be initially established before July 1, 2021, according to the procedures set forth for the establishment of an economic development area under IC 36-7-15.1. A tax area may be changed or the terms governing the tax area revised in the same manner as the establishment of the initial tax area.

(b) In establishing or changing the terms of the tax area or revising the terms governing the tax area, the commission must make the following findings instead of the findings required for the establishment of economic development areas:

(1) That a project to be undertaken or that has been undertaken in the tax area is for a facility.
(2) That the project to be undertaken or that has been undertaken in the tax area will benefit the public health and welfare and will be of public utility and benefit.
(3) That the project to be undertaken or that has been undertaken in the tax area will protect or increase state and local tax bases and tax revenues.

(c) The tax area established by the commission under this chapter is a special taxing district authorized by the general
assembly to enable the county to provide special benefits to taxpayers in the tax area by promoting economic development that is of public use and benefit.

Sec. 18. (a) Upon adoption of a resolution establishing a tax area under section 20 of this chapter, the commission shall submit the resolution to the budget committee for review and recommendation to the budget agency. The budget committee shall meet not later than sixty (60) days after receipt of a resolution and shall make a recommendation on the resolution to the budget agency.

(b) Upon adoption of a resolution changing the boundaries of a tax area under section 20 of this chapter, the commission shall:

(1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and

(2) file the following information with each taxing unit in the county in which the tax area is located:

(A) A copy of the notice required by subdivision (1).

(B) A statement disclosing the impact of the tax area, including the following:

(i) The estimated economic benefits and costs incurred by the tax, as measured by increased employment and anticipated growth of property assessed values.

(ii) The anticipated impact on tax revenues of each taxing unit.

The notice must state the general boundaries of the tax area.

(c) Upon completion of the actions required by subsection (b), the commission shall submit the resolution to the budget committee for review and recommendation to the budget agency. The budget committee shall meet not later than sixty (60) days after receipt of the resolution and shall make a recommendation on the resolution to the budget agency.

Sec. 19. (a) The budget agency must approve the resolution before the covered taxes may be allocated under section 20 of this chapter.

(b) When considering a resolution, the budget committee and the budget agency must make the following findings:

(1) The cost of the facility and facility site specified under the resolution exceeds one hundred thousand dollars ($100,000).

(2) The project specified in the resolution is economically sound and will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the tax area established under this
chapter.

(3) The political subdivisions affected by the project specified in the resolution have committed significant resources toward completion of the improvement.

(c) Revenues from the tax area may not be allocated until the budget agency approves the resolution.

Sec. 20. (a) A tax area must be established by resolution. A resolution establishing a tax area must provide for the allocation of covered taxes attributable to a taxable event or covered taxes earned in the tax area or by individuals living in the tax area to the additional professional sports development area fund established for the county. The allocation provision must apply to the part of the tax area covered by this section. The resolution must provide that the tax area terminates not later than December 1, 2052.

(b) All of the salary, wages, bonuses, and other compensation that are:

(1) paid during a taxable year to a professional athlete for professional athletic services;

(2) taxable in Indiana; and

(3) earned in the tax area;

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

(c) The total amount of state revenue captured by the tax area may not exceed eleven million dollars ($11,000,000) per year for thirty-two (32) consecutive years, commencing July 1, 2020.

(d) The resolution establishing the tax area must designate the facilities and the sites of the facilities, for which the tax area is established and covered taxes will be used.

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

Sec. 21. (a) When the commission adopts an allocation provision, the commission shall notify the department by certified mail of the adoption of the provision and shall include with the notification a complete list of the following:

(1) Employers in the tax area.

(2) Street names and the range of street numbers of each street in the tax area.

The commission shall update the list before July 1 of each year.

(b) Taxpayers operating in the tax area shall report annually, in the manner and in the form prescribed by the department, information that the department determines necessary to calculate
the salary, wages, bonuses, and other compensation:

(1) that are:

(A) paid during a taxable year to a professional athlete for professional athletic services;
(B) taxable in Indiana; and
(C) earned in the tax area; or

(2) that are:

(A) paid during a taxable year to a taxpayer other than a professional athlete for professional athletic services; and
(B) earned in the tax area.

(c) A taxpayer operating in the tax area that files a consolidated tax return with the department shall also file annually an informational return with the department for each business location of the taxpayer within the tax area.

(d) If a taxpayer fails to report the information required by this section or file an informational return required by this section, the department shall use the best information available in calculating the amount of covered taxes attributable to a taxable event in a tax area or covered taxes from income earned in a tax area or by individuals living in the tax area.

Sec. 22. An additional professional sports development area fund for the county is established. The fund shall be administered by the department. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

Sec. 23. Covered taxes attributable to a tax area approved under section 20 of this chapter shall be deposited in the additional professional sports development area fund for the county. If the written agreement to be entered into under section 38 of this chapter is not entered into before July 1, 2021, all covered taxes in the additional professional sports development area fund for the county attributable to covered taxes described in:

(1) section 9(1) and 9(2) of this chapter shall revert to the state general fund on July 1, 2021; and

(2) section 9(3) of this chapter shall be distributed proportionately to the funds and the political subdivisions that would have received such covered taxes if the covered taxes had not been allocated to the tax area under this chapter.

Sec. 24. On or before the twentieth day of each month following the month in which the written agreement is entered into under section 38 of this chapter, all amounts on deposit in the additional professional sports development area fund for the county are appropriated for and shall be distributed to the capital
improvement board.

Sec. 25. The department shall notify the county auditor of the amount of taxes to be distributed to the capital improvement board.

Sec. 26. All distributions from the additional professional sports development area fund for the county shall be made by warrants issued by the auditor of state to the treasurer of state ordering those payments to the capital improvement board.

Sec. 27. The capital improvement board may use money distributed from the additional professional sports development area fund to pay the cost of operation and maintenance of, or to construct, renovate, and equip, a capital improvement, other than the capital improvements set forth in section 16(a)(2) through 16(a)(4) of this chapter, including the financing or refinancing of a capital improvement or the payment of lease payments for a capital improvement, other than the capital improvements set forth in section 16(a)(2) through 16(a)(4) of this chapter.

Sec. 28. All capital improvements financed under this chapter are subject to the provisions of 25 IAC 5 concerning equal opportunities for minority business enterprises, women's business enterprises, and veteran or disabled business enterprises to participate in procurement and contracting processes. The goals for participation are the following:

(1) By minority business enterprises, fifteen percent (15%).
(2) By women's business enterprises, eight percent (8%).
(3) By veteran or disabled business enterprises, three percent (3%).

These goals must be consistent with the goals of delivering the project on time and within the budgeted amount and, insofar as possible, using Indiana businesses for employees, goods, and services. In fulfilling the goals, historical precedents in the same market must be taken into account.

Sec. 29. The capital improvement board shall repay to the additional professional sports development area fund any amount that is distributed to the capital improvement board and used for a purpose that is not described in section 27 of this chapter. The department shall distribute the covered taxes repaid to the additional professional sports development area fund under this section proportionately to the funds and the political subdivisions that would have received the covered taxes if the covered taxes had not been allocated to the tax area under this chapter.

Sec. 30. (a) Before a lease of a capital improvement located in a
tax area may be entered into by the facilities authority and the capital improvement board, the capital improvement board must find that the lease rental provided for is fair and reasonable.

(b) A lease of a capital improvement from the facilities authority to the capital improvement board:

(1) may not have a term exceeding forty (40) years;
(2) may not require payment of lease rental for a newly constructed capital improvement or for improvements to an existing capital improvement until the capital improvement or improvements have been completed and are ready for occupancy;
(3) may provide for the responsibility for operation and maintenance of the capital improvements, including the retention of the revenues from the operation and maintenance of the capital improvements and the related obligations of the sublessee or sublessees as set forth in the written agreement to be entered into under section 38 of this chapter;
(4) must provide that the facilities authority has no responsibility to fund the ongoing maintenance and operations of the capital improvement;
(5) may contain provisions:
   (A) allowing the capital improvement board to continue to operate an existing capital improvement until completion of the improvements, reconstruction, or renovation; and
   (B) requiring payment of lease rentals for an existing capital improvement being used, reconstructed, or renovated;
(6) may contain an option to renew the lease for the same or shorter term on the conditions provided in the lease;
(7) must contain an option for the capital improvement board to purchase the capital improvement upon the terms stated in the lease during the term of the lease for a price equal to the amount required to pay all indebtedness incurred on account of the capital improvement, including indebtedness incurred for the refunding of that indebtedness;
(8) may be entered into before the acquisition or construction of a capital improvement;
(9) subject to IC 36-10-9-11, may provide that the lease rental payments by the capital improvement board may be made from any one (1) or more of the following sources:
   (A) revenue captured under this chapter;
   (B) tax increment revenues collected for lease rental
payments under IC 36-7-15.1-26 or IC 36-7-15.1-26.2;
(C) net revenues of the capital improvement;
(D) any funds received and to be applied by the capital
improvement board under section 35 of this chapter;
(E) any funds received and to be applied by the capital
improvement board under section 36 of this chapter;
(F) any funds received and to be applied by the capital
improvement board under section 37 of this chapter; and
(G) any other funds available to the capital improvement
board; and
(10) may contain any other terms the capital improvement
board determines to be appropriate.

Sec. 31. This chapter contains full and complete authority for
leases between the facilities authority and the capital improvement
board. No law, procedure, proceedings, publications, notices,
consents, approvals, orders, or acts by the facilities authority or the
capital improvement board or any other officer, department,
agency, or instrumentality of the state or any political subdivision
is required to enter into any lease, except as prescribed in this
chapter.

Sec. 32. If the lease provides for a capital improvement or
improvements to the capital improvement to be constructed by the
facilities authority, the plans and specifications shall be submitted
to and approved by the capital improvement board and all agencies
designated by law to pass on plans and specifications for public
buildings.

Sec. 33. The facilities authority and the capital improvement
board may enter into common wall (party wall) agreements or
other agreements concerning easements or licenses. The capital
improvement board and any sublessee may enter into common wall
(party wall) agreements or other agreements concerning easements
or licenses. The capital improvement board shall record such an
agreement with the recorder of the county.

Sec. 34. (a) The capital improvement board may lease for a
nominal lease rental, or, subject to any sublease between the
capital improvement board and a sublessee, sell to the facilities
authority, one (1) or more capital improvements or parts of a
capital improvement or land upon which a capital improvement is
located or is to be constructed.
(b) Any lease of all or a part of a capital improvement by the
capital improvement board to the facilities authority must be for
a term equal to the term of the lease of that capital improvement.
back to the capital improvement board.

(c) Subject to any sublease between the capital improvement board and a sublessee, the capital improvement board may sell property to the facilities authority for the amount the capital improvement board determines to be in the best interest of the capital improvement board, which amount may be paid from the proceeds of bonds of the facilities authority.

Sec. 35. (a) The capital improvement board may adopt a resolution to apply all or a portion of the county innkeeper's tax collected under IC 6-9-8-3 in the tax area to the payment of lease rentals by the capital improvement board under a lease entered into under section 30 of this chapter, if the capital improvement board determines that the use of the innkeeper's tax will not impair the rights and remedies of holders of any bonds or other obligations existing at the time of the determination.

(b) If there is an increase in the rate at which the county innkeeper's tax is imposed or a portion of the county innkeeper's tax is extended beyond the date on which it would otherwise expire, any county innkeeper's tax collected in the tax area, as a result and to the extent of the increase in the rate or as a result of the extension of the county innkeeper's tax and to the extent of the rate extended, shall be applied to the payment of lease rentals by the capital improvement board under a lease entered into under section 30 of this chapter.

Sec. 36. (a) The capital improvement board may adopt a resolution to apply all or a portion of the county food and beverage tax collected under IC 6-9-12-8 in the tax area to the payment of lease rentals by the capital improvement board under a lease entered into under section 30 of this chapter, if the capital improvement board determines that the use of the county food and beverage tax will not impair the rights and remedies of holders of any bonds or other obligations existing at the time of the determination.

(b) If there is an increase in the rate at which the county food and beverage tax is imposed or a portion of the county food and beverage tax is extended beyond the date on which it would otherwise expire, any county food and beverage tax collected in the tax area, as a result and to the extent of the increase in the rate or as a result of the extension of the county food and beverage tax and to the extent of the rate extended, shall be applied to the payment of lease rentals by the capital improvement board under a lease entered into under section 30 of this chapter.

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Sec. 37. The capital improvement board may adopt a resolution to apply all or a portion of the county admissions tax collected under IC 6-9-13-2 by or at the facility or complex of facilities that is used to hold a professional sporting event to the payment of lease rentals by the capital improvement board under a lease entered into under section 30 of this chapter, if the capital improvement board determines that the use of the county admissions tax will not impair the rights and remedies of holders of any bonds or other obligations existing at the time of the determination.

Sec. 38. (a) The facilities authority may issue bonds for the purpose of obtaining money to pay the cost of:

1. acquiring property;
2. constructing, improving, reconstructing, or renovating one or more capital improvements; or
3. funding or refunding bonds issued under this chapter.

(b) The bonds are payable solely from the lease rentals from the lease of the capital improvements for which the bonds were issued, insurance proceeds, and any other funds pledged or available.

(c) The bonds shall be authorized by a resolution of the capital improvement board.

(d) The terms and form of the bonds shall be set out either in the resolution or in a form of trust indenture approved by the resolution.

(e) The bonds must mature within forty (40) years.

(f) The capital improvement board shall sell the bonds at public or private sale upon the terms determined by the capital improvement board.

(g) All money received from any bonds issued under this chapter shall be applied solely to the payment of the cost of the acquisition or construction, or both, of capital improvements, or the cost of refunding or refinancing outstanding bonds, for which the bonds are issued. The cost may include:

1. planning and development of the facility and all buildings, facilities, structures, and improvements related to the facility;
2. acquisition of a site and clearing and preparing the site for construction;
3. equipment, facilities, structures, and improvements that are necessary or desirable to make the capital improvement suitable for use and operations;
4. architectural, engineering, consultant, and attorney's fees;
5. incidental expenses in connection with the issuance and sale of bonds;
(6) reserves for principal and interest;  
(7) interest during construction;  
(8) financial advisory fees;  
(9) insurance during construction;  
(10) municipal bond insurance, debt service reserve  
insurance, letters of credit, or other credit enhancement; and  
(11) in the case of refunding or refinancing, payment of the  
principal of, redemption premiums (if any) for, and interest  
on, the bonds being refunded or refinanced.

(h) If the facilities authority is acquiring land or all or a part of  
one (1) or more capital improvements from any person other than  
the capital improvement board by purchase or lease and is leasing  
the land or these capital improvements to the capital improvement  
board, with any additional improvements that may be made to  
them, and the capital improvement board intends to sublease the  
land or capital improvements to one (1) or more sublessees, the  
facilities authority may not issue bonds under this chapter unless  
the facilities authority first finds that the capital improvement  
board and the sublessee or sublessees have entered into a written  
agreement concerning the facility. This agreement must include the  
following provisions:

(1) That the sublessee or sublessees must commit to assist and  
cooperate with the facilities authority and the capital  
improvement board to design and construct the facility on  
time and on budget.

(2) That any of these capital improvements that are financed  
under this chapter must be approved by the capital  
improvement board. The capital improvement board shall  
secure the obligations of the sublessee or sublessees of the  
capital improvements to the capital improvement board  
under a sublease under this chapter with liens or security  
interests, which may include:

(A) perfected security interests in personal property;  
(B) a mortgage lien on the real property; and  
(C) any other security determined to be appropriate by the  
capital improvement board and the facilities authority.

(3) Specifying the extent to which the sublessee or sublessees  
shall be responsible for the operation and maintenance of the  
capital improvements.

(4) Specifying how the retention of the revenues from the  
operation and maintenance of the capital improvements will  
be shared between the capital improvement board and the
sublessee or sublessees.

(5) That if any bonds are issued by the facilities authority under this section to finance capital improvements, then on the date that all these bonds are no longer considered outstanding, the capital improvement board shall take the legal steps required to terminate each of its security interests in and mortgage liens on the capital improvements described in subdivision (2).

(6) That if a controlling ownership interest in the sublessee's interests in the sublease of the capital improvements is sold after the facilities authority issues bonds under this section to finance these capital improvements, the capital improvement board shall determine whether there exists good cause not to allow the purchaser to assume the sublessee's obligations under the sublease and the agreement described in this subsection. If the capital improvement board determines that good cause does not exist, the capital improvement board is considered to have accepted the purchaser's assumption of the sublessee's obligations under the sublease and the agreement described in this subsection, and the purchaser is considered to have assumed and become obligated to fully perform those obligations. If the capital improvement board determines that there exists good cause not to approve the purchaser's assumption of the sublessee's obligations under the sublease and the agreement described in this subsection, the capital improvement board is considered to have disapproved the assumption and the capital improvement board may require that the sublessee or sublessees of the capital improvements shall pay or cause to be paid to the capital improvement board an amount sufficient to pay the cost of defeasing all outstanding bonds issued by the facilities authority under this section to finance the capital improvements and paying all expenses of the capital improvement board and the facilities authority incurred in connection with the defeasance.

(7) That if, in any year commencing on January 1, the aggregate of all:

(A) the state revenue captured by the tax area, subject to the cap set forth in section 20(c) of this chapter;

(B) the county innkeeper's tax collected in the tax area and otherwise to be applied to the payment of lease rentals by the capital improvement board under section 35 of this chapter;
(C) the county food and beverage tax collected in the tax area and otherwise to be applied to the payment of lease rentals by the capital improvement board under section 36 of this chapter;
(D) the county admissions tax collected by or at the facility or complex of facilities that is used to hold a professional sporting event and otherwise to be applied to the payment of lease rentals by the capital improvement board under section 37 of this chapter; and
(E) the tax increment revenues collected and otherwise to be applied for the purpose of making the payment of lease rentals by the capital improvement board under section 30(b)(9) of this chapter and subsection (i); is in excess of the amount of lease rental payments due in that year, the excess shall be used to make further capital improvements to or pay the expenses of the operation and maintenance of the facility or complex of facilities that is used to hold a professional sporting event.
(8) Any other terms the capital improvement board determines to be appropriate.

(i) If the capital improvement board and the city determine that it would be appropriate that the lease rental payments by the capital improvement board are to be made from tax increment revenues collected for that purpose under IC 36-7-15.1-26 or IC 36-7-15.1-26.2 under section 30(b)(9)(B) of this chapter or that tax increment revenues collected under IC 36-7-15.1-26 or IC 36-7-15.1-26.2 are to be used to pay all or a portion of the expenses of the operation and maintenance of the facility or complex of facilities that is used to hold a professional sporting event, the city shall also be made a party to the agreement described in subsection (h) for the purpose of ensuring that the city provides the tax increment revenues to the capital improvement board or the sublessee as provided in this subsection. The use of the tax increment revenues as provided in this subsection is hereby authorized.

Sec. 39. This chapter contains full and complete authority for the issuance of bonds. No law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the capital improvement board, the facilities authority, or any other officer, department, agency, or instrumentality of the state or of any political subdivision is required to issue any bonds, except as prescribed in this chapter.
Sec. 40. Bonds issued under this chapter are legal investments for private trust funds and the funds of banks, trust companies, insurance companies, building and loan associations, credit unions, banks of discount and deposit, savings banks, loan and trust and safe deposit companies, rural loan and savings associations, guaranty loan and savings associations, mortgage guaranty companies, small loan companies, industrial loan and investment companies, and other financial institutions organized under Indiana law.

Sec. 41. (a) The facilities authority may secure bonds issued under this chapter by a trust indenture between the facilities authority and a corporate trustee, which may be any trust company or national or state bank within Indiana that has trust powers.

(b) The trust indenture may:

(1) pledge or assign lease rentals, receipts, and income from leased capital improvements;
(2) contain provisions for protecting and enforcing the rights and remedies of the bondholders, including covenants setting forth the duties of the facilities authority and the board of directors of the facilities authority;
(3) set forth the rights and remedies of bondholders and trustee; and
(4) restrict the individual right of action of bondholders.

(c) Any pledge or assignment made by the facilities authority under this section is valid and binding from the time that the pledge or assignment is made, against all persons whether they have notice of the lien or not. Any trust indenture by which a pledge is created or an assignment made need not be filed or recorded. The lien is perfected against third parties by filing the trust indenture in the records of the board of directors of the facilities authority.

Sec. 42. If the capital improvement board exercises its option to purchase leased property, it may issue its bonds as authorized by statute.

Sec. 43. All:

(1) property owned by the facilities authority;
(2) revenues of the facilities authority; and
(3) bonds issued by the facilities authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds
received at maturity, and the receipt of interest in proceeds;
are exempt from taxation in Indiana for all purposes except the
financial institutions tax imposed under IC 6-5.5.

Sec. 44. The facilities authority shall not issue bonds under this
chapter, unless on or before July 1, 2021, a tax area has been
established under section 20 of this chapter.

Sec. 45. Any action to contest the validity of bonds to be issued
under this chapter may not be brought after the fifteenth day
following:

(1) the receipt of bids for the bonds, if the bonds are sold at
public sale; or

(2) the publication one (1) time in a newspaper of general
circulation published in the county of notice of the execution
and delivery of the contract for the sale of bonds;

whichever occurs first.

Sec. 46. Nothing in this chapter shall compel or require the
facilities authority or the capital improvement board to adopt any
resolution, issue any bonds or other obligations, or approve or
enter into any indenture, lease, sublease, or agreement that the
facilities authority or the capital improvement board in its
discretion determines to not be in the facilities authority's or the
capital improvement board's best interests.

Sec. 47. This chapter expires December 31, 2052.

SECTION 3. An emergency is declared for this act.