

## **IC 4-4-11**

### **Chapter 11. Indiana Finance Authority**

#### **IC 4-4-11-0.1**

##### **Effect of certain amendments to chapter**

Sec. 0.1. The amendments made to section 15 of this chapter by P.L.2-1987 take effect on January 1, 1987, and apply to taxable years beginning after December 31, 1986.

*As added by P.L.220-2011, SEC.15.*

#### **IC 4-4-11-0.3**

##### **"Entity" defined; transfer of powers, duties, liabilities, property among entities; references to entities in statutes**

Sec. 0.3. (a) As used in this section, "entity" means the following:

- (1) The Indiana development finance authority.
- (2) The state office building commission.
- (3) The Indiana transportation finance authority.
- (4) The recreational development commission.

(b) On May 15, 2005, all powers, duties, and liabilities of each entity are transferred to the authority, as the successor agency.

(c) On May 15, 2005, all records and property of each entity, including appropriations and other funds under the control or supervision of the entity, are transferred to the authority, as the successor agency.

(d) After May 14, 2005, any amounts owed to an entity before May 15, 2005, are considered to be owed to the authority, as the successor agency.

(e) After May 14, 2005, a reference to an entity in a statute, rule, or other document is considered a reference to the authority, as the successor agency.

(f) All powers, duties, and liabilities of an entity with respect to bonds issued by that entity in connection with any trust agreement or indenture securing those bonds are transferred to the authority, as the successor agency. The rights of the trustee under any trust agreement or indenture and the rights of the bondholders of an entity remain unchanged, although the powers, duties, and liabilities of the entity have been transferred to the authority, as the successor agency.

*As added by P.L.220-2011, SEC.16.*

#### **IC 4-4-11-0.4**

##### **Transfer of powers, duties, agreements, liabilities, records, money, and property to authority; bonds; rights of trustee and bondholders**

Sec. 0.4. (a) On May 15, 2005, all powers, duties, agreements, and liabilities of the treasurer of state, the auditor of state, the department of environmental management, and the budget agency with respect to:

- (1) the wastewater revolving loan program established by IC 13-18-13-1;

(2) the drinking water revolving loan program established by IC 13-18-21-1; and  
(3) the supplemental drinking water and wastewater assistance program established by IC 13-18-21-21;  
are transferred to the authority, as the successor agency, for the limited purposes described in subdivisions (1) through (3).

(b) On May 15, 2005, all records, money, and other property of the treasurer of state, the auditor of state, the department of environmental management, and the budget agency with respect to:

(1) the wastewater revolving loan program established by IC 13-18-13-1;

(2) the drinking water revolving loan program established by IC 13-18-21-1; and

(3) the supplemental drinking water and wastewater assistance program established by IC 13-18-21-21;

are transferred to the authority as the successor agency for the limited purposes described in subdivisions (1) through (3).

(c) On May 15, 2005, all powers, duties, agreements, and liabilities of the Indiana bond bank, the Indiana department of environmental management, and the budget agency with respect to:

(1) outstanding bonds issued for:

(A) the wastewater revolving loan program established by IC 13-18-13-1; or

(B) the drinking water revolving loan program established by IC 13-18-21-1; and

(2) any trust agreement or indenture, security agreement, purchase agreement, or other undertaking entered into in connection with the bonds described in subdivision (1);

are transferred to the authority, as the successor agency, for the limited purposes described in subdivisions (1) and (2). The rights of the trustee and the bondholders with respect to any bonds or any trust agreement or indenture, security agreement, purchase agreement, or other undertaking described in this subsection remain the same, although the powers, duties, agreements, and liabilities of the Indiana bond bank have been transferred to the authority and the authority shall be considered to have assumed all those powers, duties, agreements, and liabilities as if the authority were the Indiana bond bank for those limited purposes.

*As added by P.L.220-2011, SEC.17.*

#### **IC 4-4-11-0.5**

#### **Transfer of IHEFFA powers, duties, liabilities, records, money, and property to authority; references to IHEFFA; bonds; rights of trustee and bondholders**

Sec. 0.5. (a) As used in this section, "IHEFFA" means the Indiana health and educational facility financing authority established by IC 5-1-16-2 (before its repeal).

(b) On July 1, 2007, all powers, duties, and liabilities of the IHEFFA are transferred to the authority, as the successor entity. The

terms of office of the members of the IHEFFA serving on June 30, 2007, terminate on July 1, 2007.

(c) On July 1, 2007, all records and property of the IHEFFA, including appropriations and other funds under its control or supervision, are transferred to the authority, as the successor entity.

(d) After July 1, 2007, any amounts owed to the IHEFFA before July 1, 2007, are considered to be owed to the authority, as the successor entity.

(e) After June 30, 2007, a reference to the IHEFFA in a statute, rule, or other document is considered a reference to the authority, as the successor entity.

(f) All powers, duties, and liabilities of the IHEFFA with respect to bonds issued by the IHEFFA in connection with any trust agreement or indenture securing those bonds are transferred to the authority, as the successor entity. The rights of the trustee under any trust agreement or indenture and the rights of the bondholders of the IHEFFA remain unchanged, although the powers, duties, and liabilities of the IHEFFA have been transferred to the authority, as the successor entity.

*As added by P.L.220-2011, SEC.18.*

#### **IC 4-4-11-1**

##### **Title**

Sec. 1. This chapter may be cited as "The Indiana finance authority law".

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.16; P.L.235-2005, SEC.6.*

#### **IC 4-4-11-2**

##### **Legislative findings of fact; purpose**

Sec. 2. (a) The legislature makes the following findings of fact:

(1) That there currently exists in certain areas of the state critical conditions of unemployment, inadequate drinking water, inadequate wastewater and storm water management, or environmental pollution, including water pollution, air pollution, sewage and solid waste, radioactive waste, thermal pollution, radiation contamination, and noise pollution, and that these conditions may well exist, from time to time, in other areas of the state.

(2) That in some areas of the state such conditions are chronic and of long standing and that without remedial measures they may become so in other areas of the state.

(3) That economic insecurity due to unemployment, inadequate drinking water, inadequate wastewater and storm water management, or environmental pollution is a menace to the health, safety, morals, and general welfare of not only the people of the affected areas but of the people of the entire state.

(4) That involuntary unemployment and its resulting burden of indigency falls with crushing force upon the unemployed

worker and ultimately upon the state in the form of public assistance and unemployment compensation.

(5) That security against unemployment and the resulting spread of indigency and economic stagnation in the areas affected can best be provided by:

(A) the promotion, attraction, stimulation, rehabilitation, and revitalization of industrial development projects, rural development projects, mining operations, and agricultural operations that involve the processing of agricultural products;

(B) the promotion and stimulation of international exports; and

(C) the education, both formal and informal, of people of all ages throughout the state by the promotion, attraction, construction, renovation, rehabilitation, and revitalization of and assistance to educational facility projects.

(6) That the present and prospective health, safety, morals, right to gainful employment, and general welfare of the people of the state require as a public purpose the provision of safe drinking water, the provision of wastewater and storm water management, the abatement or control of pollution, the promotion of increased educational enrichment (including cultural, intellectual, scientific, or artistic opportunities) for people of all ages through new, expanded, or revitalized educational facility projects or through assisting educational facility projects, and the promotion of employment creation or retention through development of new and expanded industrial development projects, rural development projects, mining operations, and agricultural operations that involve the processing of agricultural products.

(7) That there is a need to stimulate a larger flow of private investment funds from commercial banks, investment bankers, insurance companies, other financial institutions, and individuals into such industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products in the state.

(8) That the authority can encourage the making of loans or leases for creation or expansion of industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products, thus putting a larger portion of the private capital available in Indiana for investment to use in the general economic development of the state.

(9) That the issuance of bonds of the authority to create a financing pool for industrial development projects and carrying out the purposes of IC 13-18-13 and IC 13-18-21 promoting a substantial likelihood of opportunities for:

(A) gainful employment;

- (B) business opportunities;
- (C) educational enrichment (including cultural, intellectual, scientific, or artistic opportunities);
- (D) the abatement, reduction, or prevention of pollution;
- (E) the provision of safe drinking water;
- (F) the provision of wastewater and storm water management;
- (G) the removal or treatment of any substances in materials being processed that otherwise would cause pollution when used; or

(H) increased options for and availability of child care; will improve the health, safety, morals, and general welfare of the people of the state and constitutes a public purpose for which the authority shall exist and operate.

(10) That the issuance of bonds of the authority to create a funding source for the making of guaranteed participating loans will promote and encourage an expanding international exports market and international exports sales and will promote the general welfare of all of the people of Indiana by assisting Indiana businesses through stimulation of the expansion of international exports sales for Indiana products and services, especially those of small and medium-sized businesses, by providing financial assistance through the authority.

(b) The Indiana finance authority shall exist and operate for the public purposes of:

(1) promoting opportunities for gainful employment and business opportunities by the promotion and development of industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products, in any areas of the state;

(2) promoting the educational enrichment (including cultural, intellectual, scientific, or artistic opportunities) of all the people of the state by the promotion, development, and assistance of educational facility projects;

(3) promoting affordable farm credit and agricultural loan financing at interest rates that are consistent with the needs of borrowers for farming and agricultural enterprises;

(4) preventing and remediating environmental pollution, including water pollution, air pollution, sewage and solid waste disposal, radioactive waste, thermal pollution, radiation contamination, and noise pollution affecting the health and well-being of the people of the state by:

(A) the promotion and development of industrial development projects; and

(B) carrying out the purposes of IC 13-18-13 and IC 13-18-21;

(5) promoting the provision of safe and adequate drinking water and wastewater and storm water management to positively

affect the public health and well-being by carrying out the purposes of IC 13-18-13 and IC 13-18-21;

(6) otherwise positively affecting the public health and well-being by carrying out the purposes of IC 13-18-13 and IC 13-18-21;

(7) promoting affordable and accessible child care for the people of the state by the promotion and development of child care facilities; and

(8) carrying out the purposes of IC 5-1-17.5 concerning a motorsports investment district.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.24-1983, SEC.1; P.L.20-1985, SEC.2; P.L.25-1987, SEC.4; P.L.20-1988, SEC.7; P.L.11-1990, SEC.17; P.L.24-1995, SEC.9; P.L.227-1999, SEC.6 and P.L.273-1999, SEC.195; P.L.4-2002, SEC.2; P.L.235-2005, SEC.7; P.L.233-2013, SEC.2.*

#### **IC 4-4-11-2.5**

##### **Legislative findings of fact; purpose**

Sec. 2.5. (a) The general assembly makes the following findings of fact in addition to those set forth in section 2 of this chapter:

(1) There are currently numerous bodies corporate and politic of the state, with separate decision making and borrowing authority, that may issue bonds, notes, and obligations, and otherwise access the financial markets.

(2) Consolidation of this decision making and borrowing authority may provide economic efficiencies and management synergies and enable the state to communicate, with a single voice, with the various participants in the financial markets, including credit rating agencies, investment bankers, investors, and municipal bond insurers and other credit enhancers.

(b) In addition to the purposes set forth in section 2 of this chapter, the authority is established for the purpose of permitting the consolidation of certain bodies in a single body of decision making concerning access to the capital and financial markets in the name of, or for the benefit of, the state.

(c) The authority is authorized to carry out the public purposes provided for in the affected statutes through a single entity in order to achieve the purposes of this section.

*As added by P.L.235-2005, SEC.8. Amended by P.L.1-2006, SEC.27.*

#### **IC 4-4-11-2.7**

##### **Construction of article; priority of definitions**

Sec. 2.7. (a) This article and the affected statutes shall be liberally construed to effect the purposes of this article and the affected statutes.

(b) To the extent that the definitions in an affected statute are inconsistent with the definitions in this chapter or IC 4-4-10.9, the definitions in the affected statute prevail.

(c) Except as otherwise provided by subsection (b), to the extent

that the provisions of this article are inconsistent with the provisions of any other general, special, or local law, the provisions of this article are controlling and supersede all other laws.

*As added by P.L.235-2005, SEC.9. Amended by P.L.162-2007, SEC.5.*

#### **IC 4-4-11-3**

##### **Repealed**

*(Repealed by P.L.20-1985, SEC.18(b).)*

#### **IC 4-4-11-4**

##### **Creation; membership**

Sec. 4. (a) There is created for the public purposes set forth in section 2.5 of this chapter a body politic and corporate, not a state agency but an independent instrumentality exercising essential public functions, to be known as the Indiana finance authority. The authority is separate and apart from the state in its corporate and sovereign capacity, and though separate from the state, the exercise by the authority of its powers constitutes an essential governmental, public, and corporate function.

(b) The authority shall be composed of the following five (5) members:

- (1) The budget director, or the budget director's designee, who shall serve as chairman of the authority.
- (2) The treasurer of state, or the treasurer of state's designee.
- (3) Three (3) members appointed by the governor, no more than two (2) of whom may be from the same political party.

(c) All members shall be residents of the state.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.18; P.L.235-2005, SEC.10.*

#### **IC 4-4-11-5**

##### **Members; terms of office**

Sec. 5. Appointments to the authority under section 4(b)(3) of this chapter are for terms of four (4) years. Each member appointed to the authority under section 4(b)(3) of this chapter:

- (1) holds office for the term of this appointment;
- (2) continues to serve after expiration of the appointment until a successor is appointed and qualified;
- (3) is eligible for reappointment; and
- (4) may be removed from office by the governor with or without cause and serves at the pleasure of the governor.

The governor shall fill a vacancy for the unexpired term of any member appointed under section 4(b)(3) of this chapter.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.19; P.L.235-2005, SEC.11.*

#### **IC 4-4-11-6**

##### **Officers; compensation of members**

Sec. 6. (a) The members shall elect from among their number a vice chairman and other officers as they may determine.

(b) The members of the authority are entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with their duties as provided by law. Members are not entitled to the salary per diem provided by IC 4-10-11-2.1(b) or any other compensation while performing their duties.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.20-1985, SEC.3; P.L.11-1990, SEC.20; P.L.235-2005, SEC.12.*

#### **IC 4-4-11-7**

##### **Vesting of powers; quorum; voting**

Sec. 7. The powers of the authority are vested in the members. Three (3) members of the authority constitute a quorum for the transaction of business. The affirmative vote of at least three (3) members is necessary for any action to be taken by the authority. Members may vote by written proxy delivered in advance to any other member who is present at the meeting. A vacancy in the membership of the authority does not impair the right of a quorum to exercise all rights and perform all duties of the authority.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.21; P.L.235-2005, SEC.13.*

#### **IC 4-4-11-8**

##### **Meetings**

Sec. 8. Meetings of the members of the authority shall be held at the call of the chairman or whenever any three (3) members so request. In any event, the members shall meet at least once every three (3) months to attend to the business of the authority.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.22.*

#### **IC 4-4-11-9**

##### **Public finance director; powers and duties**

Sec. 9. The governor shall appoint the public finance director, who shall serve at the pleasure of the governor. The public finance director shall:

- (1) administer, manage, and direct the affairs and activities of the authority and the employees of the authority in accordance with the policies and under the control and direction of the members of the authority;
- (2) approve all accounts for salaries, allowable expenses of the authority or of any employee or consultant, and expenses incidental to the operation of the authority; and
- (3) perform other duties as may be directed by the members of the authority in carrying out the purposes of the affected statutes.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.23; P.L.24-1995, SEC.10; P.L.235-2005, SEC.14.*

#### **IC 4-4-11-10**

##### **Public finance director; attendance; record keeping duties; certification of copies**

Sec. 10. The public finance director shall attend the meetings of the members of the authority, shall keep a record of the proceedings of the authority, and shall maintain and be custodian of all books, documents, and papers filed with the authority and its official seal. The public finance director may make copies of all minutes and other records and documents of the authority and may give certificates under seal of the authority to the effect that the copies are true copies. All persons dealing with the authority may rely upon these certificates.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.24; P.L.235-2005, SEC.15.*

#### **IC 4-4-11-11**

##### **Employment; delegation of administrative duties**

Sec. 11. (a) The authority may, without the approval of the attorney general or any other state officer, employ bond counsel, other legal counsel, technical experts, and such other officers, agents, and employees, permanent or temporary, as it considers necessary to carry out the efficient operation of the authority, and shall determine their qualifications, duties, compensation, and terms of service. The authority shall fix the compensation of the public finance director.

(b) The members of the authority may adopt a resolution delegating to:

- (1) a member of the authority;
- (2) the public finance director; or
- (3) one (1) or more agents or employees of the authority;

administrative duties that they consider proper, including the powers of the authority set forth in this section.

(c) Employees of the authority shall not be considered employees of the state.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.25; P.L.18-1992, SEC.2; P.L.235-2005, SEC.16.*

#### **IC 4-4-11-12**

##### **Members; conflicts of interest; disclosure**

Sec. 12. Any member or employee of the authority who has, will have, or later acquires an interest, direct or indirect, in any transaction with the authority shall immediately disclose the nature and extent of the interest in writing to the authority as soon as he has knowledge of the actual or prospective interest. The disclosure shall be announced in open meeting and entered upon the minutes of the authority. Upon disclosure, the member or employee shall not participate in any action by the authority authorizing the transaction. However, such an interest shall not invalidate actions by the authority with the participation of the disclosing member prior to the time when the member became aware of the interest or should reasonably have

become aware of the interest.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.26.*

#### **IC 4-4-11-13**

##### **State officers and employees; nonforfeiture of offices and employment**

Sec. 13. Notwithstanding the provisions of any other law, no officer or employee of the state forfeits his office or employment by reason of his acceptance of membership in the authority or by reason of his providing services to the authority.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.27.*

#### **IC 4-4-11-14**

##### **Members; surety bonds**

Sec. 14. (a) Each member of the authority, the public finance director, and any other employee or agent of the authority authorized by resolution of the authority to handle funds or sign checks, before beginning the individual's duties, shall execute a surety bond in the penal sum of fifty thousand dollars (\$50,000). To the extent an individual described in this section is already covered by a bond required by state law, the individual need not obtain another bond so long as the bond required by state law is in at least the penal sum specified in this section and covers the individual's activities for the authority. In lieu of a bond, the chairman of the authority may execute a blanket surety bond covering each member and the employees or other officers of the authority. Each surety bond shall be conditioned upon the faithful performance of the individual's duties and shall be issued by a surety company authorized to transact business in this state as surety. At all times after the issuance of any surety bonds, each individual described in this section shall maintain the surety bonds in full force and effect. All costs of the surety bonds shall be borne by the authority.

(b) The public finance director, before beginning the public finance director's duties, must:

- (1) execute a surety bond as provided in subsection (a); or
- (2) be included in the coverage of a blanket surety bond described in subsection (a).

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.28; P.L.24-1995, SEC.11; P.L.235-2005, SEC.17.*

#### **IC 4-4-11-14.5**

##### **State debt management plan; requirements**

Sec. 14.5. The authority, after consulting with the treasurer of state, the Indiana bond bank, the budget agency, and the commission for higher education, shall establish and periodically update a state debt management plan. The plan must include at least the following provisions with respect to debt issued or to be issued by the authority,

other bodies corporate and politic of the state, and state educational institutions:

- (1) An inventory of existing debt.
- (2) Projections of future debt obligations.
- (3) Recommended criteria for the appropriate use of debt as a means to finance capital projects.
- (4) Recommended strategies to minimize costs associated with debt issuance.
- (5) An analysis of the impact of debt issued by all bodies corporate and politic and state educational institutions on the state budget.
- (6) Recommended guidelines for the prudent issuance of debt that creates a moral obligation of the state to pay all or part of the debt.
- (7) Recommended policies for the investment of:
  - (A) proceeds of bonds, notes, or other obligations issued by bodies corporate and politic and state educational institutions; and
  - (B) other money, funds, and accounts owned or held by a body corporate and politic.
- (8) Recommended policies for the establishment of a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the Internal Revenue Code.
- (9) Recommended policies for the preparation of financial disclosure documents, including official statements accompanying debt issues, comprehensive annual financial reports, and continuing disclosure statements. The recommended policies must include a provision for approval by the budget director of any statements or reports that include a discussion of the state's economic and fiscal condition.
- (10) Potential opportunities to more effectively and efficiently authorize and manage debt.
- (11) Recommendations to the budget director, the governor, and the general assembly with respect to financing of capital projects.

The recommendations to the general assembly under subdivision (11) must be in an electronic format under IC 5-14-6.

*As added by P.L.235-2005, SEC.18. Amended by P.L.2-2007, SEC.22.*

#### **IC 4-4-11-15**

##### **Powers**

Sec. 15. (a) The authority is granted all powers necessary or appropriate to carry out and effectuate its public and corporate purposes under the affected statutes, including but not limited to the following:

- (1) Have perpetual succession as a body politic and corporate and an independent instrumentality exercising essential public functions.

- (2) Without complying with IC 4-22-2, adopt, amend, and repeal bylaws, rules, guidelines, and policies not inconsistent with the affected statutes, and necessary or convenient to regulate its affairs and to carry into effect the powers, duties, and purposes of the authority and conduct its business under the affected statutes. These bylaws, rules, guidelines, and policies must be made by a resolution of the authority introduced at one (1) meeting and approved at a subsequent meeting of the authority.
- (3) Sue and be sued in its own name.
- (4) Have an official seal and alter it at will.
- (5) Maintain an office or offices at a place or places within the state as it may designate.
- (6) Make, execute, and enforce contracts and all other instruments necessary, convenient, or desirable for the purposes of the authority or pertaining to:
  - (A) a purchase, acquisition, or sale of securities or other investments; or
  - (B) the performance of the authority's duties and execution of any of the authority's powers under the affected statutes.
- (7) Employ architects, engineers, attorneys, inspectors, accountants, agriculture experts, silviculture experts, aquaculture experts, and financial experts, and such other advisors, consultants, and agents as may be necessary in its judgment and to fix their compensation.
- (8) Procure insurance against any loss in connection with its property and other assets, including loans and loan notes in amounts and from insurers as it may consider advisable.
- (9) Borrow money, make guaranties, issue bonds, and otherwise incur indebtedness for any of the authority's purposes, and issue debentures, notes, or other evidences of indebtedness, whether secured or unsecured, to any person, as provided by the affected statutes. Notwithstanding any other law, the:
  - (A) issuance by the authority of any indebtedness that establishes a procedure for the authority or a person acting on behalf of the authority to certify to the general assembly the amount needed to restore a debt service reserve fund or another fund to required levels; or
  - (B) execution by the authority of any other agreement that creates a moral obligation of the state to pay all or part of any indebtedness issued by the authority;is subject to review by the budget committee and approval by the budget director.
- (10) Procure insurance or guaranties from any public or private entities, including any department, agency, or instrumentality of the United States, for payment of any bonds issued by the authority, including the power to pay premiums on any insurance or reinsurance.
- (11) Purchase, receive, take by grant, gift, devise, bequest, or

otherwise, and accept, from any source, aid or contributions of money, property, labor, or other things of value to be held, used, and applied to carry out the purposes of the affected statutes, subject to the conditions upon which the grants or contributions are made, including but not limited to gifts or grants from any department, agency, or instrumentality of the United States, and lease or otherwise acquire, own, hold, improve, employ, use, and otherwise deal in and with real or personal property or any interest in real or personal property, wherever situated, for any purpose consistent with the affected statutes.

(12) Enter into agreements with any department, agency, or instrumentality of the United States or this state and with lenders and enter into loan agreements, sales contracts, and leases with contracting parties, including participants (as defined in IC 13-11-2-151.1) for any purpose permitted under IC 13-18-13 or IC 13-18-21, borrowers, lenders, developers, or users, for the purpose of planning, regulating, and providing for the financing and refinancing of any agricultural enterprise (as defined in IC 5-28-31-1), rural development project (as defined in IC 5-28-31-20), industrial development project, purpose permitted under IC 13-18-13 and IC 13-18-21, or international exports, and distribute data and information concerning the encouragement and improvement of agricultural enterprises and agricultural employment, rural development projects, industrial development projects, international exports, and other types of employment in the state undertaken with the assistance of the authority under this chapter.

(13) Enter into contracts or agreements with lenders and lessors for the servicing and processing of loans and leases pursuant to the affected statutes.

(14) Provide technical assistance to local public bodies and to profit and nonprofit entities in the development or operation of agricultural enterprises, rural development projects, and industrial development projects.

(15) To the extent permitted under its contract with the holders of the bonds of the authority, consent to any modification with respect to the rate of interest, time, and payment of any installment of principal or interest, or any other term of any contract, loan, loan note, loan note commitment, contract, lease, or agreement of any kind to which the authority is a party.

(16) To the extent permitted under its contract with the holders of bonds of the authority, enter into contracts with any lender containing provisions enabling it to reduce the rental or carrying charges to persons unable to pay the regular schedule of charges when, by reason of other income or payment by any department, agency, or instrumentality of the United States of America or of this state, the reduction can be made without jeopardizing the economic stability of the agricultural enterprise, rural development project, or industrial development project being

financed.

(17) Notwithstanding IC 5-13, but subject to the requirements of any trust agreement entered into by the authority, invest:

- (A) the authority's money, funds, and accounts;
- (B) any money, funds, and accounts in the authority's custody; and
- (C) proceeds of bonds or notes;

in the manner provided by an investment policy established by resolution of the authority.

(18) Fix and revise periodically, and charge and collect, fees and charges as the authority determines to be reasonable in connection with:

- (A) the authority's loans, guarantees, advances, insurance, commitments, and servicing; and
- (B) the use of the authority's services or facilities.

(19) Cooperate and exchange services, personnel, and information with any federal, state, or local government agency, or instrumentality of the United States or this state.

(20) Sell, at public or private sale, with or without public bidding, any loan or other obligation held by the authority.

(21) Enter into agreements concerning, and acquire, hold, and dispose by any lawful means, land or interests in land, building improvements, structures, personal property, franchises, patents, accounts receivable, loans, assignments, guarantees, and insurance needed for the purposes of the affected statutes.

(22) Take assignments of accounts receivable, loans, guarantees, insurance, notes, mortgages, security agreements securing notes, and other forms of security, attach, seize, or take title by foreclosure or conveyance to any industrial development project when a guaranteed loan thereon is clearly in default and when in the opinion of the authority such acquisition is necessary to safeguard the industrial development project guaranty fund, and sell, or on a temporary basis, lease or rent such industrial development project for any use.

(23) Expend money provided to the authority by the Indiana economic development corporation from the industrial development project guaranty fund created by IC 5-28-30, subject to the terms of any agreement with the Indiana economic development corporation governing the expenditure of that money.

(24) Purchase, lease as lessee, construct, remodel, rebuild, enlarge, or substantially improve industrial development projects, including land, machinery, equipment, or any combination thereof.

(25) Lease industrial development projects to users or developers, with or without an option to purchase.

(26) Sell industrial development projects to users or developers, for consideration to be paid in installments or otherwise.

(27) Make direct loans from the proceeds of the bonds to users

or developers for:

(A) the cost of acquisition, construction, or installation of industrial development projects, including land, machinery, equipment, or any combination thereof; or

(B) eligible expenditures for an educational facility project described in IC 4-4-10.9-6.2(a)(2);

with the loans to be secured by the pledge of one (1) or more bonds, notes, warrants, or other secured or unsecured debt obligations of the users or developers.

(28) Lend or deposit the proceeds of bonds to or with a lender for the purpose of furnishing funds to such lender to be used for making a loan to a developer or user for the financing of industrial development projects under this chapter.

(29) Enter into agreements with users or developers to allow the users or developers, directly or as agents for the authority, to wholly or partially construct industrial development projects to be leased from or to be acquired by the authority.

(30) Establish reserves from the proceeds of the sale of bonds, other funds, or both, in the amount determined to be necessary by the authority to secure the payment of the principal and interest on the bonds.

(31) Adopt rules and guidelines governing its activities authorized under the affected statutes.

(32) Use the proceeds of bonds to make guaranteed participating loans.

(33) Purchase, discount, sell, and negotiate, with or without guaranty, notes and other evidences of indebtedness.

(34) Sell and guarantee securities.

(35) Make guaranteed participating loans under IC 4-4-21-26.

(36) Procure insurance to guarantee, insure, coinsure, and reinsure against political and commercial risk of loss, and any other insurance the authority considers necessary, including insurance to secure the payment of principal and interest on notes or other obligations of the authority.

(37) Provide performance bond guarantees to support eligible export loan transactions, subject to the terms of the affected statutes.

(38) Provide financial counseling services to Indiana exporters.

(39) Accept gifts, grants, or loans from, and enter into contracts or other transactions with, any federal or state agency, municipality, private organization, or other source.

(40) Sell, convey, lease, exchange, transfer, or otherwise dispose of property or any interest in property, wherever the property is located.

(41) Cooperate with other public and private organizations to promote export trade activities in Indiana.

(42) Cooperate with the Indiana economic development corporation in taking any actions necessary for the administration of the agricultural loan and rural development

project guarantee fund established by IC 5-28-31.

(43) In cooperation with the Indiana economic development corporation, take assignments of notes and mortgages and security agreements securing notes and other forms of security, and attach, seize, or take title by foreclosure or conveyance to any agricultural enterprise or rural development project when a guaranteed loan to the enterprise or rural development project is clearly in default and when in the opinion of the Indiana economic development corporation the acquisition is necessary to safeguard the agricultural loan and rural development project guarantee fund, and sell, or on a temporary basis, lease or rent the agricultural enterprise or rural development project for any use.

(44) Expend money provided to the authority by the Indiana economic development corporation from the agricultural loan and rural development project guarantee fund created by IC 5-28-31, subject to the terms of any agreement with the Indiana economic development corporation governing the expenditure of that money.

(45) Reimburse from bond proceeds expenditures for industrial development projects under this chapter.

(46) Acquire, hold, use, and dispose of the authority's income, revenues, funds, and money.

(47) Purchase, acquire, or hold debt securities or other investments for the authority's own account at prices and in a manner the authority considers advisable, and sell or otherwise dispose of those securities or investments at prices without relation to cost and in a manner the authority considers advisable.

(48) Fix and establish terms and provisions with respect to:

(A) a purchase of securities by the authority, including dates and maturities of the securities;

(B) redemption or payment before maturity; and

(C) any other matters that in connection with the purchase are necessary, desirable, or advisable in the judgment of the authority.

(49) To the extent permitted under the authority's contracts with the holders of bonds or notes, amend, modify, and supplement any provision or term of:

(A) a bond, a note, or any other obligation of the authority;  
or

(B) any agreement or contract of any kind to which the authority is a party.

(50) Subject to the authority's investment policy, do any act and enter into any agreement pertaining to a swap agreement (as defined in IC 8-9.5-9-4) related to the purposes of the affected statutes in accordance with IC 8-9.5-9-5 and IC 8-9.5-9-7, whether the action is incidental to the issuance, carrying, or securing of bonds or otherwise.

(51) Do any act necessary or convenient to the exercise of the powers granted by the affected statutes, or reasonably implied from those statutes, including but not limited to compliance with requirements of federal law imposed from time to time for the issuance of bonds.

(b) The authority's powers under this chapter shall be interpreted broadly to effectuate the purposes of this chapter and may not be construed as a limitation of powers. The omission of a power from the list in subsection (a) does not imply that the authority lacks that power. The authority may exercise any power that is not listed in subsection (a) but is consistent with the powers listed in subsection (a) to the extent that the power is not expressly denied by the Constitution of the State of Indiana or by another statute.

(c) This chapter does not authorize the financing of industrial development projects for a developer unless any written agreement that may exist between the developer and the user at the time of the bond resolution is fully disclosed to and approved by the authority.

(d) The authority shall work with and assist the Indiana housing and community development authority established by IC 5-20-1-3, the ports of Indiana established under IC 8-10-1-3, and the state fair commission established by IC 15-13-2-1 in the issuance of bonds, notes, or other indebtedness. The Indiana housing and community development authority, the ports of Indiana, and the state fair commission shall work with and cooperate with the authority in connection with the issuance of bonds, notes, or other indebtedness. *As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.24-1983, SEC.3; P.L.20-1985, SEC.4; P.L.2-1987, SEC.2; P.L.25-1987, SEC.5; P.L.20-1988, SEC.8; P.L.11-1990, SEC.29; P.L.24-1995, SEC.12; P.L.4-2002, SEC.3; P.L.235-2005, SEC.19; P.L.232-2005, SEC.3; P.L.1-2006, SEC.28 and P.L.181-2006, SEC.1; P.L.162-2007, SEC.6; P.L.2-2008, SEC.15; P.L.98-2008, SEC.2.*

#### **IC 4-4-11-15.1**

##### **Repealed**

*(As added by P.L.5-1996, SEC.2. Amended by P.L.235-2005, SEC.20. Repealed by P.L.177-2011, SEC.5.)*

#### **IC 4-4-11-15.2**

##### **Guaranteed participating loans; export loans required to be sold; bond issuance**

Sec. 15.2. (a) Before using the proceeds of bonds to make a guaranteed participating loan, the authority shall require the financial institution to which the authority makes the guaranteed participating loan to make eligible export loans and sell them to the authority within a reasonable period of time.

(b) Issuance of bonds by the authority to fund the program of the authority under IC 4-4-21 is subject to the general provisions for the issuance of bonds set forth in this chapter, except for the requirements for the issuance of bonds under sections 17 and 17.5 of

this chapter.

*As added by P.L.20-1988, SEC.9. Amended by P.L.11-1990, SEC.30.*

### **IC 4-4-11-15.3**

#### **Prohibited activities**

Sec. 15.3. The authority:

(1) may not deal in securities within the meaning of or subject to any securities law, securities exchange law, or securities dealers law of the United States of America or of the state or of any other state or jurisdiction, domestic or foreign, except as authorized in the affected statutes;

(2) may not:

(A) emit bills of credit;

(B) accept deposits of money for time or demand deposit;

(C) administer trusts;

(D) engage in any form or manner, or in the conduct of, any private or commercial banking business; or

(E) act as a savings bank, savings association, or any other kind of financial institution; and

(3) may not engage in any form of private or commercial banking business.

*As added by P.L.235-2005, SEC.21. Amended by P.L.1-2006, SEC.29.*

### **IC 4-4-11-15.4**

#### **Issuance of bonds for the wastewater revolving loan program and the drinking water revolving loan program**

Sec. 15.4. (a) The authority may issue bonds or notes and invest or loan the proceeds of those bonds or notes to a participant (as defined in IC 13-11-2-151.1) for the purposes of:

(1) the wastewater revolving loan program established by IC 13-18-13-1; and

(2) the drinking water revolving loan program established by IC 13-18-21-1.

(b) If the authority loans money to or purchases debt securities of a political subdivision (as defined in IC 13-11-2-164(a) and IC 13-11-2-164(b)), the authority may, by the resolution approving the bonds or notes, provide that subsection (c) is applicable to the political subdivision.

(c) Notwithstanding any other law, to the extent that any department or agency of the state, including the treasurer of state, is the custodian of money payable to the political subdivision (other than for goods or services provided by the political subdivision), at any time after written notice to the department or agency head from the authority that the political subdivision is in default on the payment of principal or interest on the obligations then held or owned by or arising from an agreement with the authority, the department or agency shall withhold the payment of that money from that political subdivision and pay over the money to the authority for the purpose

of paying principal of and interest on bonds or notes of the authority. However, the withholding of payment from the political subdivision and payment to the authority under this section must not adversely affect the validity of the obligation in default.

*As added by P.L.235-2005, SEC.22.*

#### **IC 4-4-11-15.5**

##### **Public offering for sale or lease of property or interests acquired for an industrial development project**

Sec. 15.5. (a) In addition to the powers enumerated in section 15(a) of this chapter, the authority may, in lieu of a private sale or leasing as authorized by section 15(a) of this chapter or a financing of an industrial development project under section 17 of this chapter, decide to hold a public offering under this section for the sale or leasing of any land or interests in land, building improvements, structures, personal property, and franchises and patents acquired by the authority under this chapter for an industrial development project. If the authority decides to hold a public offering for the sale or leasing of any property or interests acquired for an industrial development project, the offering shall be made in accordance with this section.

(b) Before offering for sale or lease to the public any property or interests acquired for an industrial development project under this section, the authority shall prepare an offering sheet showing the property or interests to be offered and copies of the offering sheets shall be furnished to prospective buyers or lessees. Maps and plats of the property and any additional information considered appropriate by the authority shall also be kept available for inspection at the office of the authority.

(c) The authority shall publish a notice of the offering in accordance with IC 5-3-1. The notice must state that at a designated time the authority will open and consider written offers for the purchase or lease of the property or interests being offered. In giving the notice, it is not necessary to describe specifically the property or interests or to specify the exact terms of the disposition, but the notice must state the general location of the property or interests and call attention generally to any requirements or limitations that the authority may establish in respect to the industrial development project.

(d) At the time fixed in the notice, the authority shall open and consider any offers received. All offers received shall be opened at public meetings of the authority and shall be kept open for public inspection.

(e) The authority may reject any or all bids or may make awards to the highest and best bidder or bidders. In determining the highest and best bids, the authority may take into consideration the following:

- (1) The size and character of the improvements for the industrial development project as proposed by the bidder to be made on

the property and the terms and conditions of the consideration offered by the bidder.

(2) The bidder's plans and ability to carry out the industrial development project with reasonable promptness.

(3) Whether the property and interests to be acquired by the bidder will be leased or released for the industrial development project.

(4) The nature and extent of any obligations to be undertaken by the authority in conjunction with the improvement of the property or interests to be acquired for the industrial development project as proposed by the bidder.

(5) The potential impact of the bidder's proposal on the creation of new employment or the retention of existing employment resulting from the industrial development project.

(6) The potential impact of the bidder's proposal to attract or establish a major new business enterprise or to retain or expand a significant existing business enterprise that will provide or preserve gainful employment for the citizens of the state.

(7) The economic benefits to the state and its citizens that will result from the industrial development project, as proposed by the bidder, including the dollar volume of new or preserved wages and salaries, increases in or preservation of state and local government tax revenues, the incremental economic benefits to the citizens of the state, the state, and local governmental units potentially resulting from the industrial development project as proposed by the bidder, and any other direct or indirect economic benefit to the state and its citizens resulting from the industrial development project as proposed by the bidder.

(8) The potential impact and benefit to the state and its citizens of the industrial development project as proposed by the bidder from the standpoint of both human and economic welfare.

(f) In making an award to the highest and best bidder as provided in subsection (e), the authority shall determine whether in its judgment the potential benefits to the state and its citizens of the industrial development project as proposed by the bidder exceed the direct costs to the authority of acquiring the property and interests being offered for sale or lease for the industrial development project less any sums to be paid by the successful bidder pursuant to its bid. The authority's judgment concerning this determination shall be based on the economic studies, analyses, and projections that the authority determines are reasonably necessary. The authority's determination is final and conclusive.

(g) The authority may contract with a bidder concerning any of the factors listed in subsection (e), and the contract may provide for the deposit of surety bonds, the making of good faith deposits, liquidated damages, the right of reversion or repurchase, or other rights and remedies if the bidder fails to comply with the contract.

(h) After the opening, consideration, and determination of the

written offers filed in response to the notice, the authority may dispose of all or part of the remaining available property or interests for any approved use, either at public sale or by private negotiation carried on by the authority, its regular employees, or real estate experts employed for that purpose. For a period of thirty (30) days after the opening of the written offers and determination on them, no sale, exchange, or lease may be made on terms less than that shown on the offering sheet, but after that period the authority may adjust the offering terms it considers necessary to further the industrial development project.

(i) An action to contest the validity of any sale or lease awarded and approved by the authority under this section may not be commenced more than thirty (30) days following the authority's adoption of a resolution designating the successful bidder or bidders and stating and approving the basic terms and conditions of the sale or lease.

*As added by P.L.24-1987, SEC.4. Amended by P.L.11-1990, SEC.31.*

#### **IC 4-4-11-15.6**

##### **Additional authority powers**

Sec. 15.6. In addition to the powers listed in section 15 of this chapter, the authority may:

- (1) issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to acquire obligations issued by any entity authorized to acquire, finance, construct, or lease capital improvements under IC 5-1-17;
- (2) issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to acquire any obligations issued by the northwest Indiana regional development authority established by IC 36-7.5-2-1;
- (3) after December 31, 2009, issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to acquire any obligations issued by either the commuter rail service board established under IC 8-24-5 or the regional demand and scheduled bus service board established under IC 8-24-6;
- (4) enter into leases and issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to carry out the purposes of IC 5-1-17.5 within a motorsports investment district; and
- (5) perform any other functions determined by the authority to be necessary or appropriate to carry out the purposes of IC 5-1-17.5 within a motorsports investment district.

*As added by P.L.214-2005, SEC.1. Amended by P.L.182-2009(ss), SEC.50; P.L.233-2013, SEC.3.*

#### **IC 4-4-11-15.7**

##### **Requirements; establishment of terms governing reserves or funding levels**

Sec. 15.7. (a) This section does not apply to any indebtedness issued by the authority if:

- (1) the proceeds will be used for a project that has been specifically authorized by the general assembly; or
- (2) the indebtedness is authorized under the affected statutes.

(b) Notwithstanding any other law in effect before:

- (1) the authority issues indebtedness that establishes a procedure for the authority or a person acting on behalf of the authority to certify to the general assembly the amount needed to restore a debt service reserve fund or another fund to a required level; or
- (2) execution by the authority of any other agreement that creates a moral obligation of the state to pay all or any part of any indebtedness issued by the authority;

the authority is subject to, and shall comply with, to the extent practicable, the requirements set forth in IC 5-1.5-5-4(c) through IC 5-1.5-5-4(g) as if the authority was specifically named in IC 5-1.5-5-4(c) through IC 5-1.5-5-4(g).

(c) In addition:

- (1) indebtedness described in IC 5-1.5-5-4(c) through IC 5-1.5-5-4(g) is considered a reference to an indebtedness or agreement referred to in this section; and
- (2) a qualified entity referred to in IC 5-1.5-5-4(c) through IC 5-1.5-5-4(g) is considered a reference to a borrower of any indebtedness and to any other parties referred to in this section.

*As added by P.L.229-2011, SEC.42.*

#### **IC 4-4-11-16**

##### **Repealed**

*(As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.24-1983, SEC.4; P.L.20-1985, SEC.5; P.L.24-1987, SEC.5; P.L.11-1990, SEC.32; P.L.16-1991, SEC.1; P.L.15-1991, SEC.2; P.L.214-2005, SEC.2. Repealed by P.L.162-2007, SEC.42.)*

#### **IC 4-4-11-16.1**

##### **Repealed**

*(As added by P.L.291-2001, SEC.146. Amended by P.L.170-2002, SEC.9. Repealed by P.L.2-2005, SEC.131.)*

#### **IC 4-4-11-16.2**

##### **Validity of loan guarantees made by Indiana development finance authority under prior statute**

Sec. 16.2. Notwithstanding the expiration of section 16.1 of this chapter on December 31, 2002, a loan guarantee made by the Indiana development finance authority under that section before December 31, 2002, remains a valid and binding obligation of the Indiana development finance authority after December 31, 2002, as if section 16.1 of this chapter had not expired.

*As added by P.L.220-2011, SEC.19.*

### **IC 4-4-11-16.3**

#### **Repealed**

*(As added by P.L.18-1992, SEC.3. Repealed by P.L.162-2007, SEC.42.)*

### **IC 4-4-11-16.5**

#### **Repealed**

*(As added by P.L.16-1991, SEC.2. Amended by P.L.235-2005, SEC.23. Repealed by P.L.162-2007, SEC.42.)*

### **IC 4-4-11-16.7**

#### **Validity of Indiana employment development commission guarantee made before January 1, 1985**

Sec. 16.7. (a) As used in this section, "Indiana development finance authority" refers to the Indiana development finance authority transferred to the authority by P.L.235-2005, SECTION 213.

(b) As used in this section, "Indiana employment development commission" refers to the Indiana employment development commission transferred to the Indiana development finance authority by P.L.11-1990, SECTION 139.

(c) The restrictions on eligibility of any mortgage or security agreement under IC 4-4-11-16 (before its repeal) do not invalidate any guarantee of the Indiana employment development commission made before January 1, 1985.

*As added by P.L.220-2011, SEC.20. Amended by P.L.39-2011, SEC.1.*

### **IC 4-4-11-16.8**

#### **Transfer of bond powers, duties, and liabilities of the Indiana employment development commission and the Indiana agricultural development corporation; rights of trustee and bondholders; validity of certain bonds**

Sec. 16.8. (a) All powers, duties, and liabilities of the Indiana employment development commission and the Indiana agricultural development corporation with respect to bonds issued by the commission or the corporation in connection with any trust agreement or indenture securing those bonds are transferred to the authority.

(b) The rights of the trustee under any trust agreement or indenture and the rights of the bondholders of the Indiana employment development commission and the Indiana agricultural development corporation remain unchanged, although the powers, duties, and liabilities of the commission and the corporation have been transferred to the authority.

(c) All bonds issued by the Indiana employment development commission and the Indiana agricultural development corporation are hereby legalized and declared valid if these bonds have been delivered and payment for those bonds has been received before July 1, 1990. All proceedings had and actions taken under which the

bonds were issued are hereby fully legalized and declared valid.  
*As added by P.L.220-2011, SEC.21. Amended by P.L.39-2011, SEC.2.*

#### **IC 4-4-11-16.9**

##### **Transfer of IHEFFA powers, duties, liabilities, records, money, and property to authority; references to IHEFFA; bonds; rights of trustee and bondholders**

Sec. 16.9. (a) As used in this section, "IHEFFA" means the Indiana health and educational facility financing authority established by IC 5-1-16-2 (before its repeal).

(b) As used in this section, "IFA" means the Indiana finance authority established by IC 4-4-11-4.

(c) On July 1, 2007, all powers, duties, and liabilities of the IHEFFA are transferred to the IFA, as the successor entity. The terms of office of the members of the IHEFFA serving on June 30, 2007, terminate on July 1, 2007.

(d) On July 1, 2007, all records and property of the IHEFFA, including appropriations and other funds under the control or supervision of the authority, are transferred to the IFA, as the successor entity.

(e) After July 1, 2007, any amounts owed to the IHEFFA before July 1, 2007, are considered to be owed to the IFA, as the successor entity.

(f) After June 30, 2007, a reference to the IHEFFA in a statute, rule, or other document is considered a reference to the IFA, as the successor entity.

(g) All powers, duties, and liabilities of the IHEFFA with respect to bonds issued by the IHEFFA in connection with any trust agreement or indenture securing those bonds are transferred to the IFA, as the successor entity. The rights of the trustee under any trust agreement or indenture and the rights of the bondholders of the IHEFFA remain unchanged, although the powers, duties, and liabilities of the IHEFFA have been transferred to the IFA, as the successor entity.

*As added by P.L.220-2011, SEC.22.*

#### **IC 4-4-11-17**

##### **Industrial development projects; financing; procedure; approval**

Sec. 17. (a) The authority may enter into negotiations with one (1) or more persons concerning the terms and conditions of financing agreements for industrial development projects. The authority shall consider whether a proposed industrial development project may have an adverse competitive effect on similar industrial development projects already constructed or operating in the local governmental unit where the industrial development project will be located. Preliminary expenses in connection with negotiations under this section may be paid from:

- (1) money furnished by the proposed user or developer;

- (2) money made available by the state or federal government, or by any of their departments or agencies; or
  - (3) money of the authority.
- (b) The authority shall prepare a report that:
- (1) briefly describes the proposed industrial development project;
  - (2) estimates the number and expense of public works or services that would be made necessary or desirable by the proposed industrial development project, including public ways, schools, water, sewers, street lights, and fire protection;
  - (3) estimates the total costs of the proposed industrial development project;
  - (4) for an industrial development project that is not exclusively either a pollution control facility or an educational facility project, estimates the number of jobs and the payroll to be created or saved by the project;
  - (5) for pollution control facilities, describes the facilities and how they will abate, reduce, or prevent pollution;
  - (6) for educational facility projects, describes how the project promotes the educational enrichment (including cultural, intellectual, scientific, or artistic opportunities) of the people of the state; and
  - (7) for child care facility projects, describes the facilities and how the facilities promote accessibility to and increased options for child care for the people of the state.

The report shall be submitted to the executive director or chairman of the plan commission, if any, having jurisdiction over the industrial development project and, if the number of new jobs estimated exceeds one hundred (100), to the superintendent of the school corporation where the industrial development project will be located. The executive director or chairman of the plan commission and the school superintendent may formulate their written comments concerning the report and transmit their comments, if any, to the authority within five (5) days from the receipt of the report.

(c) The authority shall hold a public hearing, which may be conducted by the authority, or any officer, member, or agent designated thereby, on the proposed financing agreement for the industrial development project, after giving notice by publication in one (1) newspaper of general circulation in the city, town, or county where the industrial development project is to be located at least ten (10) days in advance of this public hearing.

(d) If the authority finds that the industrial development project will be of benefit to the health, safety, morals, and general welfare of the area where the industrial development project is to be located, and complies with the purposes and provisions of this chapter, it may by resolution approve the proposed financing agreement. This resolution may also authorize the issuance of bonds payable solely from revenues and receipts derived from the financing agreement or from payments made under an agreement to guarantee obligations of the

developer, a user, a related person, or the authority by a developer, a user, a related person thereto, or the authority and the Indiana economic development corporation pursuant to the industrial development project guaranty fund under IC 5-28-30. The bonds are not in any respect a general obligation of the state, nor are they payable in any manner from revenues raised by taxation.

(e) A financing agreement approved under this section must provide for payments in an amount sufficient to pay the principal of, premium, if any, and interest on the bonds authorized for the financing of the industrial development project. However, interest payments for the anticipated construction period, plus a period of not more than one (1) year, may be funded in the bond issue. The term of a financing agreement may not exceed fifty (50) years from the date of any bonds issued under the financing agreement. However, a financing agreement does not terminate after fifty (50) years if a default under that financing agreement remains uncured, unless the termination is authorized by the terms of the financing agreement. If the authority retains an interest in the industrial development project, the financing agreement must require the user or the developer to pay all costs of maintenance, repair, taxes, assessments, insurance premiums, trustee's fees, and any other expenses relating to the industrial development projects, so that the authority will not incur any expenses on account of the industrial development projects other than those that are covered by the payments provided for in the financing agreement.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.20-1985, SEC.6; P.L.24-1987, SEC.6; P.L.11-1990, SEC.33; P.L.24-1995, SEC.13; P.L.227-1999, SEC.7 and P.L.273-1999, SEC.196; P.L.4-2002, SEC.4; P.L.162-2007, SEC.7.*

#### **IC 4-4-11-17.5**

##### **Industrial development project financing; bond issuance**

Sec. 17.5. (a) In addition to all other authority granted to the authority under this chapter, including the authority to borrow money and to issue bonds to finance directly or indirectly the acquisition or development of industrial development projects undertaken or initiated by the authority, the authority may initiate programs for financing industrial development projects for developers and users in Indiana through the issuance of bonds under this chapter. In furtherance of this objective, the authority may do any of the following:

- (1) Establish eligibility standards for developers and users, without complying with IC 4-22-2. However, these standards have the force of law if the standards are adopted after a public hearing for which notice has been given by publication under IC 5-3-1.
- (2) Contract with any entity securing the payment of bonds issued under this chapter and authorizing the entity to approve the developers and users that can finance or refinance industrial

development projects with proceeds from the bond issue secured by that entity.

(3) Lease to a developer or user industrial development projects upon terms and conditions that the authority considers proper and, with respect to the lease:

(A) charge and collect rents;

(B) terminate the lease upon the failure of the lessee to comply with any of its obligations under the lease or otherwise as the lease provides; and

(C) include in the lease provisions that the lessee has the option to renew the term of the lease for such periods and at such rents as may be determined by the authority or to purchase any or all of the industrial development projects to which the lease applies.

(4) Lend money, upon such terms and conditions as the authority considers proper, to a developer or user under an installment purchase contract or loan agreement to:

(A) finance, reimburse, or refinance the cost of an industrial development project; and

(B) take back a secured or unsecured promissory note evidencing such a loan or a security interest in the industrial development project financed or refinanced with the loan.

(5) Sell or otherwise dispose of any unneeded or obsolete industrial development project under terms and conditions determined by the authority.

(6) Maintain, repair, replace, and otherwise improve or cause to be maintained, repaired, replaced, and otherwise improved any industrial development project owned by the authority.

(7) Require any type of security that the authority considers reasonable and necessary.

(8) Obtain or aid in obtaining property insurance on all industrial development projects owned or financed, or accept payment if any industrial development project property is damaged or destroyed.

(9) Enter into any agreement, contract, or other instrument with respect to any insurance, guarantee, letter of credit, or other form of credit enhancement, accepting payment in such manner and form as provided in the instrument if a developer or user defaults, and assign any such insurance, guarantee, letter of credit, or other form of credit enhancement as security for bonds issued by the authority.

(10) Finance for eligible developers and users in connection with their industrial development projects:

(A) the cost of their industrial development projects; and

(B) in the case of a program funded from the proceeds of taxable bonds, working capital associated with the operation of such industrial development projects;

in amounts determined to be appropriate by the authority.

(11) Issue bonds to fund a program for financing multiple,

identified or unidentified industrial development projects if the authority finds that issuance of the bonds will be of benefit to the health, safety, morals, or general welfare of the state and complies with the purposes and provisions of this chapter by promoting a substantial likelihood for:

- (A) creating opportunities for gainful employment;
- (B) creating business opportunities;
- (C) educational enrichment (including cultural, intellectual, scientific, or artistic opportunities);
- (D) the abatement, reduction, or prevention of pollution;
- (E) the removal or treatment of any substances in materials being processed that would otherwise cause pollution when used; or
- (F) promoting affordable and accessible child care.

The authority may by resolution approve the proposed taxable bond issue. The authority may use appropriations to create a debt service reserve fund for the purpose of allowing the authority to issue pooled bonds, either tax-exempt or taxable, for the construction or renovation of licensed child care facilities (or child care facilities that are in the process of being licensed) under the authority's industrial development project section.

(b) As each unidentified industrial development project is identified for possible funding from a program under subsection (a)(11), the requirements of sections 17(a), 17(b), 17(c), and 17(e) of this chapter shall be complied with as a condition precedent to entering into a financing agreement for the funding of the industrial development project.

(c) Bonds issued to fund a program under this section are not in any respect a general obligation of the state, nor are they payable in any manner from revenues raised by taxation.

(d) Any resolution adopted to authorize the issuance of taxable bonds to fund a program under subsection (a)(11) may provide that the bonds are payable solely from:

- (1) revenues and receipts derived from the various financing agreements; or
- (2) the payments made under any other agreements to secure the obligations of the developers, users, related persons, or the authority.

*As added by P.L.25-1987, SEC.6. Amended by P.L.11-1990, SEC.34; P.L.24-1995, SEC.14; P.L.227-1999, SEC.8; P.L.273-1999, SEC.197; P.L.14-2000, SEC.10; P.L.162-2007, SEC.8.*

#### **IC 4-4-11-18**

##### **Certain loans; investment, purchase, or commitments by authority**

Sec. 18. (a) The authority may invest in, purchase or make commitments to invest in or purchase, and take assignments or make commitments to take assignments of, loans made for the acquisition, construction, installation, rehabilitation, or purchase of industrial development projects. Prior to investment, purchase, assignment, or

commitment, the lender shall certify that the proceeds of the authority's bonds will be used to make loans to provide financing for industrial development projects, or pending the making of such loans, invested in short term obligations complying with the requirements of this chapter. The authority shall purchase loans at a purchase price equal to the outstanding principal balance, but the authority may require a discount from the principal balance or make a payment of a premium to effect a fair rate of return for the lender, as determined by the rate of return on comparable investments under market conditions existing at the time of purchase. In addition to the payment of the outstanding principal balance, the authority shall pay the accrued interest due thereon, on the date the loan is delivered against payment therefor or on another date as may be established by agreement between the authority and the selling lender. The authority shall comply with section 17(b), 17(c), and 17(d) of this chapter in connection with the multiple project program described in this section.

(b) Before exercising any of the powers authorized in this section, the authority shall require the lender to certify and agree that:

- (1) the loan is, or, if the same has not been made, will be, at the time of making, in all respects a prudent investment; and
- (2) the lender will make the loans and sell the same to the authority within a reasonable period of time.

(c) Before exercising any of the powers conferred by this section, the authority may:

- (1) require that the loan involved be insured by a loan insurer or be guaranteed by a loan guarantor;
- (2) require any type of security that it deems reasonable and necessary; or
- (3) authorize the reservation of funds by lenders in the amount and subject to conditions as the authority considers reasonable and necessary under this chapter.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.25-1987, SEC.7; P.L.11-1990, SEC.35.*

#### **IC 4-4-11-19**

##### **Power to borrow money and issue bonds**

Sec. 19. (a) The authority shall have the power to borrow money and to issue its bonds from time to time in such principal amounts as the authority determines shall be necessary to provide sufficient funds to carry out its purposes, including:

- (1) carrying out the powers stated in this chapter;
- (2) the payment of interest on bonds of the authority;
- (3) the establishment of reserves to secure the bonds; and
- (4) all other expenditures of the authority incident to, necessary, and convenient to carry out its purposes and powers.

(b) The authority may also issue bonds in the manner and for the purposes provided by the affected statutes.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990,*

*SEC.36; P.L.24-1995, SEC.15; P.L.235-2005, SEC.24; P.L.162-2007, SEC.9.*

#### **IC 4-4-11-20**

##### **Refunding bonds; issuance; application of proceeds; terms**

Sec. 20. (a) The authority shall have the power to issue, from time to time, bonds to renew or to pay bonds, including the interest thereon, if such bonds have been issued to finance projects that constitute industrial development projects, and whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and to issue bonds partly to refund outstanding bonds and partly for any other of its corporate purposes as long as the bonds to be refunded were issued to finance projects that constitute industrial development projects. The refunding bonds may be sold and the proceeds applied to the purchase, redemption, or payment of the bonds to be refunded, or exchanged for the bonds to be refunded. With respect to any bonds issued for an industrial development project under this chapter, the cumulative terms of refunding bonds shall not exceed fifty (50) years for any industrial development project or group of industrial development projects financed at the same time. If issued to refund bonds issued under IC 36-7-12 to finance projects that constitute industrial development projects, the cumulative terms of refunding bonds may not exceed forty (40) years.

(b) A savings to the authority or to the unit issuing the bonds to be refunded is not required for the issuance of the refunding bonds or the issuance of bonds to refund refunding bonds. Refunding bonds issued under this section are payable solely from revenues and receipts derived from:

- (1) financing agreements with the users or developers of the facilities originally financed by the outstanding bonds, or related persons; or
- (2) payments made under guaranty agreements by developers, users, or related persons.

The financing agreements or guaranties may be new financing agreements or guaranties or amendments of the original financing agreements or guaranties.

(c) Refunding bonds issued under this section are not in any respect a general obligation of the authority, nor are the bonds payable in any manner from revenues raised by taxation.

(d) Section 17(b) and 17(c) of this chapter does not apply to the issuance of refunding bonds under this section.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.37; P.L.24-1995, SEC.16.*

#### **IC 4-4-11-21**

##### **Bonds; liability of authority; pledges as additional security**

Sec. 21. Except as may otherwise be expressly provided by the

authority, every issue of its bonds shall be obligations of the authority payable solely out of any specified revenue or money of the authority, subject only to any agreements with the holders of particular bonds pledging any particular money or revenue. The bonds may be additionally secured by a pledge of any grant, contribution, or guarantee from the federal government or any corporation, limited liability company, association, institution, or person or a pledge of any money, income, or revenue of the authority from any source.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.38; P.L.8-1993, SEC.14.*

#### **IC 4-4-11-22**

##### **Bonds; liability of state**

Sec. 22. No bonds issued by the authority under this chapter shall constitute a debt, liability, or obligation of the state, or a pledge of the faith and credit of the state, but shall be payable solely as provided by section 21 of this chapter. Each bond issued under this chapter shall contain on its face a statement that neither the faith and credit nor the taxing power of the state is pledged to the payment of the principal of or the interest on the bond.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.39.*

#### **IC 4-4-11-23**

##### **Bonds; issuance; procedure; terms**

Sec. 23. The bonds shall be authorized by a resolution of the authority, shall bear the date or dates, and shall mature at a time or times as the resolution may provide, except that no bond shall mature more than fifty (50) years from the date of its issue, except as provided in section 20 of this chapter. The bonds shall be in denominations, be in the form, either coupon or registered, carry the conversion or registration privileges, be executed in the manner, be payable in the medium of payment at the place or places inside or outside Indiana, and be subject to the terms of redemption, including redemption prior to maturity, as the resolution or any trust agreement or indenture of the authority securing the bonds may provide. The bonds shall bear interest at a rate or rates that may be fixed, variable, fixed convertible to variable, variable convertible to fixed, or any combination of these rates. Variable rates shall be determined in the manner and in accordance with the provisions set forth in the resolution or the trust agreement or indenture securing the bonds. The interest on the bonds may be payable at the time or times or at the interval or intervals as may be provided in the resolution or the trust agreement or indenture securing the bonds, including the compounding and payment of interest at maturity or at any other time or times as may be specified in the resolution, trust agreement, or indenture. The bonds and their issuance shall not be subject to the provisions of any other statute concerning bonds or the issuance of

bonds. Bonds of the authority may be sold by the authority at public or private sale, and at a price or prices as the authority shall determine. No action to contest the validity of any bonds issued or guarantees entered into by the authority under this chapter shall be commenced more than thirty (30) days following the adoption of the resolution approving such bonds or guarantees as provided in this chapter.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.40.*

#### **IC 4-4-11-24**

##### **Bonds; authorized provisions**

Sec. 24. Any resolution authorizing the issuance of bonds or trust agreement or indenture pursuant to which the bonds are issued may contain provisions, which shall be a part of the contract or contracts with the holders of the bonds, as to the following:

- (1) Pledging all or any part of the revenue of the authority to secure the payment of the bonds, subject to agreements with bondholders as may then exist.
- (2) Pledging all or any part of the assets of the authority, including loans and obligations securing the same, to secure the payment of the bonds, subject to agreements with bondholders as may then exist.
- (3) The use and disposition of the gross income from loans owned by the authority and payment of the principal of loans owned by the authority.
- (4) The setting aside of reserves or sinking funds and the regulation and disposition thereof.
- (5) Limitations on the purposes to which the proceeds from the sale of bonds may be applied and pledging the proceeds to secure the payment of the bonds.
- (6) Limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding or other bonds.
- (7) The procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders must consent to, and the manner in which the consent may be given.
- (8) Limitations on the amount of money to be expended by the authority for operating expenses of the authority.
- (9) Vesting in a trustee or trustee property, rights, powers, and trust as the authority may determine, and limiting or abrogating the right of the bondholders to appoint a trustee or limiting the rights, powers, and duties of the trustee.
- (10) Defining the acts or omissions which shall constitute a default and the obligations or duties of the authority to the holders of the bonds, and providing for the rights and remedies of the holders of the bonds in the event of default, including as a matter of right the appointment of a receiver. However, the

rights and remedies shall not be inconsistent with the general laws of this state and other provisions of this chapter.

(11) Any other matter, of like or different character, which in any way affects the security or protection of the holders of the bonds.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.41.*

#### **IC 4-4-11-25**

##### **Pledges**

Sec. 25. Any pledge made by the authority shall be valid and binding from the time when the pledge is made. The revenue, money, or properties so pledged and thereafter received by the authority shall immediately be subject to the lien of the pledge without any physical delivery or further act, and the lien of any pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether the parties have notice. The resolution or any other instrument by which a pledge is created does not need to be recorded.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.42.*

#### **IC 4-4-11-26**

##### **Bonds; purchase by authority**

Sec. 26. The authority, subject to any agreements with bondholders as may then exist, shall have power out of any funds available to purchase bonds of the authority, which shall thereupon be cancelled, at any reasonable price which, if the bonds are then redeemable, shall not exceed the redemption price then applicable plus accrued interest to the next interest payment on the bond.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.43.*

#### **IC 4-4-11-27**

##### **Bonds; trust agreement or indenture**

Sec. 27. The bonds may be secured by a trust agreement or indenture by and between the authority and a corporate trustee, which may be a bank having the power of a trust company or any trust company within or without the state. The trust agreement or indenture may contain provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the exercise of its powers and the custody, safekeeping, and application of all money related to the particular bond financing for which said trust agreement or indenture exists. The authority may provide by the trust agreement or indenture for the payment of the proceeds of the bonds and the revenue to the trustee under the trust agreement or indenture or other depository, and for the method of disbursement thereof, with safeguards and

restrictions as the authority may determine. All expenses incurred in carrying out the trust agreement or indenture may be treated as a part of the operating expenses of the authority. If the bonds are secured by a trust agreement or indenture, the bondholders shall have no authority to appoint a separate trustee to represent them.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.44.*

#### **IC 4-4-11-28**

##### **Bonds; negotiability**

Sec. 28. Whether the bonds are in the form and character of negotiable instruments, the bonds are hereby made negotiable instruments, subject only to provisions of the bonds relating to registration.

*As added by Acts 1982, P.L.16, SEC.1.*

#### **IC 4-4-11-29**

##### **Bonds; execution; manual or facsimile signatures**

Sec. 29. Any bonds issued by the authority under this chapter shall be executed by the manual or facsimile, except as otherwise provided in this chapter, signatures of such officers or agents of the authority as the authority shall designate. In the event bonds are issued pursuant to a trust indenture, the manual authentication of each bond by the trustee shall be required. In the event that bonds are issued without a trust indenture or trustee, at least one (1) of the officers or agents of the authority shall manually execute each bond. In the event that any of the members or officers of the authority shall cease to be members or officers of the authority prior to the delivery of any bonds or coupons signed by them, their signatures or facsimiles shall nevertheless be valid and sufficient for all purposes the same as if the members or officers had remained in office until the delivery.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.45.*

#### **IC 4-4-11-30**

##### **Personal liability for acts authorized by affected statutes**

Sec. 30. The members of the authority, the officers and employees of the authority, the public finance director, any agents of the authority, and any other persons executing bonds issued under the affected statutes are not subject to personal liability or accountability by reason of any act authorized by the affected statutes, including without limitation the issuance of bonds, the failure to issue bonds, the execution of bonds, and the making of guarantees.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.24-1987, SEC.7; P.L.11-1990, SEC.46; P.L.235-2005, SEC.25.*

#### **IC 4-4-11-31**

##### **Funds and accounts; establishment**

Sec. 31. The authority may create and establish any funds and

accounts necessary or desirable for its purposes.  
*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.47; P.L.162-2007, SEC.10.*

#### **IC 4-4-11-32**

##### **Money; deposit; security; trust funds**

Sec. 32. All money received by the authority, except as provided in the affected statutes, shall be deposited as soon as practical in a separate account or accounts in banks or trust companies organized under the laws of this state or in national banking associations. The money in these accounts shall be paid out on checks signed by the chairman or other officers or employees of the authority as the authority shall authorize or by wire transfer or other electronic means authorized by the authority. All deposits of money shall, if required by the authority, be secured in a manner that the authority determines to be prudent, and all banks or trust companies are authorized to give security for the deposits. Notwithstanding any other provisions of law to the contrary, all money received pursuant to the authority of the affected statutes are trust funds to be held and applied solely as provided in the affected statutes. The resolution authorizing any obligations, or trust agreement or indenture securing the same, may provide that any of the money may be temporarily invested pending the disbursement thereof, and shall provide that any officer with whom or any bank or trust company with which the money shall be deposited shall act as trustee of the money and shall hold and apply the same for the authorized purposes of the authority, subject to regulations as the affected statutes, the authority's investment policy, and the resolution or trust agreement or indenture may provide.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.48; P.L.235-2005, SEC.26.*

#### **IC 4-4-11-33**

##### **Money for the payment of bonds; contracts; security**

Sec. 33. Notwithstanding section 32 of this chapter, the authority shall have the power to contract with the holders of any of its bonds as to the custody, collection, securing, investment, and payment of any money of the authority and of any money held in trust or otherwise for the payment of bonds, and to carry out the contract. Money held in trust or otherwise for the payment of bonds or in any way to secure bonds and deposits of money may be secured in the same manner as money of the authority, and all banks and trust companies are authorized to give security for the deposits.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.49.*

#### **IC 4-4-11-34**

##### **State pledge to bondholders**

Sec. 34. The state does hereby pledge to and agree with the holder of any bonds issued under this chapter that the state will not limit or

alter the rights vested in the authority to fulfill the terms of any agreements made with such holders or in any way impair the rights or remedies of such holders until the bonds, together with the interest, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged. The authority is authorized to include this pledge and agreement of the state in any agreement with the holders of the bonds.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.50.*

#### **IC 4-4-11-35**

##### **Payment of expenses and power to incur indebtedness; limitations; authority budget**

Sec. 35. (a) All expenses incurred by the authority in carrying out the affected statutes shall be payable solely from funds provided under the affected statutes, and nothing in the affected statutes shall be construed to authorize the authority to incur indebtedness or liability of the state or any political subdivision of it.

(b) The authority shall annually prepare a budget that allocates the expenses incurred by the authority in an equitable manner among the various financing programs administered by the authority.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.51; P.L.235-2005, SEC.27.*

#### **IC 4-4-11-36**

##### **Repealed**

*(Repealed by P.L.1-1991, SEC.6.)*

#### **IC 4-4-11-36.1**

##### **Property; tax exemption**

Sec. 36.1. (a) Except as provided in subsections (b) through (c), all property, both tangible and intangible, acquired or held by the authority under the affected statutes is declared to be public property used for public and governmental purposes, and all such property and income therefrom shall at all times be exempt from all taxes imposed by this state, any county, any city, or any other political subdivision of this state, except for the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

(b) Property owned by the authority and leased to a person for an industrial development project is not public property. The property and the industrial development project are subject to all taxes of the state or any county, city, or other political subdivision of the state in the same manner and subject to the same exemptions as are applicable to all persons.

(c) Any industrial development project financed by a loan under the authority of this chapter shall not be considered public property and shall not be exempt from any taxes of this state, or any county, city, or other political subdivision thereof, except for pollution

control equipment.

(d) An agricultural enterprise or rural development project financed by a loan under the authority of this chapter or IC 5-28-31 shall not be considered public property and shall not be exempt from Indiana taxes or any county, city, or other political subdivision of the state.

*As added by P.L.1-1991, SEC.7. Amended by P.L.254-1997(ss), SEC.1; P.L.235-2005, SEC.28; P.L.162-2007, SEC.11.*

#### **IC 4-4-11-36.5**

##### **Bonds; tax exemption**

Sec. 36.5. Bonds issued under this chapter and:

- (1) proceeds received from their sale by a holder, to the extent of the holder's costs of acquisition;
- (2) proceeds received on their redemption before maturity;
- (3) proceeds received at their maturity; and
- (4) interest received on them;

are exempt from state taxes as provided by IC 6-8-5.

*As added by P.L.25-1987, SEC.8.*

#### **IC 4-4-11-37**

##### **Bonds; legal investments; securities**

Sec. 37. The bonds issued by and under the authority of this chapter by the authority are declared to be legal investments in which all public officers or public bodies of this state, its political subdivisions, all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on insurance business, all banks, bankers, banking associations, trust companies, savings associations, including savings and loan associations, building and loan associations, investment companies, and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons who are now or may later be authorized to invest in bonds or in other obligations of this state, may invest funds, including capital, in their control or belonging to them. The bonds are also made securities which may be deposited with and received by all public officers and bodies of this state or any agency or political subdivisions of this state and all municipalities and public commissions for any purpose for which the deposit of bonds or other obligations of this state is now or may be later authorized by law.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.53.*

#### **IC 4-4-11-38**

##### **Annual report**

Sec. 38. The authority shall, following the close of each fiscal year, submit an annual report of its activities under the affected statutes for the preceding year to the governor, the budget committee, and the general assembly. A report submitted to the general assembly

must be in an electronic format under IC 5-14-6. Each report shall set forth a complete operating and financial statement for the authority during the fiscal year it covers.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.54; P.L.235-2005, SEC.29.*

#### **IC 4-4-11-39**

##### **Application of state laws**

Sec. 39. The issuance of bonds and the promulgation of rules under the affected statutes need not comply with the requirements of any other state laws applicable thereto. No proceedings, notice, or approval shall be required for the issuance of any bonds or any instrument or the security therefor, except as provided in the affected statutes. All agricultural enterprises, rural development projects, and industrial development projects for which funds are advanced, loaned, or otherwise provided by the authority under this chapter or IC 5-28-31 must be in compliance with any land use, zoning, subdivision, and other laws of this state applicable to the land upon which the agricultural enterprise, rural development project, or industrial development project is located or is to be constructed, but a failure to comply with these laws does not invalidate any bonds issued to finance an agricultural enterprise, rural development project, or industrial development project.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.55; P.L.235-2005, SEC.30; P.L.162-2007, SEC.12.*

#### **IC 4-4-11-40**

##### **Income and assets of authority; reversion**

Sec. 40. Except as provided in IC 13-18-13 or IC 13-18-21, all income and assets of the authority are for its own use without appropriation, but shall revert to the state general fund if the authority by resolution transfers money to the state general fund or if the authority is dissolved.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.56; P.L.235-2005, SEC.31.*

#### **IC 4-4-11-41**

##### **Bonds and securities; exemption from securities registration laws**

Sec. 41. Any bonds issued by the authority pursuant to this chapter and any other securities issued in connection with a financing under this chapter shall be exempt from the registration and other requirements of IC 23-19 and any other securities registration laws.

*As added by Acts 1982, P.L.16, SEC.1. Amended by P.L.11-1990, SEC.57; P.L.27-2007, SEC.1; P.L.162-2007, SEC.13.*

#### **IC 4-4-11-42**

##### **Repealed**

*(Repealed by P.L.11-1990, SEC.135.)*

#### **IC 4-4-11-43**

#### **Legislative findings; clean coal technology program; financing of clean coal technology projects; procedure; contributions from beneficiaries**

Sec. 43. (a) In addition to the findings of fact set forth in section 2 of this chapter, the general assembly finds that:

- (1) the federal Clean Air Act, as implemented, will have a harmful and injurious effect on the state's coal industry, resulting in critical and chronic conditions of unemployment affecting the unemployed workers and their families and communities and, ultimately, the state;
- (2) there exists clean coal technology that, if successfully implemented, will increase the fortunes of the coal industry and, as a result, workers in the industry and their families and communities and, ultimately, the state; and
- (3) implementation of clean coal technology consistent with the findings of fact set forth in subdivisions (1) and (2) serves the public purposes of public health, welfare, safety, and economic development.

(b) For purposes of this section, "political subdivision" has the meaning set forth in IC 36-1-2-13.

(c) There is created within the authority a clean coal technology program. The authority shall manage the clean coal technology program with the advice of the lieutenant governor.

(d) Subject to subsection (i), the authority is authorized and directed to issue revenue bonds, or to guarantee its revenue bonds, in an amount not to exceed forty million dollars (\$40,000,000), under this chapter to finance clean coal technology projects, including all costs related to the financing. Subject to subsection (i), as an alternative to issuing revenue bonds, and notwithstanding any other law, the authority may guarantee revenue bonds issued by another body politic and corporate of the state or a political subdivision for these purposes. Revenue bonds or guarantees are payable solely from or secured by:

- (1) revenues from the clean coal technology projects;
- (2) contributions made by and to the authority for the clean coal technology program;
- (3) appropriations made by the general assembly; and
- (4) appropriations or pledges made by other bodies corporate and politic of the state and political subdivisions.

(e) Notwithstanding any other law or provisions of this chapter, revenue bonds may be issued or guaranteed under this section by resolution of the authority. Subject to subsection (i), no other procedures or findings, including procedures or findings required under this chapter for revenue bonds or guarantees, are required to be followed. The terms of the revenue bonds or the guarantee must be set forth in the resolution in the discretion of the authority.

(f) Bodies corporate and politic of the state and political subdivisions, including cities, towns, and counties, may make

appropriations to the clean coal technology program and clean coal technology projects and, notwithstanding any other law, may pledge county option and economic development income tax revenues to the clean coal technology program or one (1) or more clean coal technology projects or to revenue bonds issued or guaranteed for the program or projects, whether by the authority or otherwise.

(g) Revenue bonds and guarantees of the authority under this section do not constitute debt of the state, and the general assembly shall not be obligated to make appropriations to the authority for such purposes.

(h) In addition to other powers granted to the authority or a political subdivision under this chapter, the authority or a political subdivision may lease clean coal technology projects under this section from a lessor corporation or authority and sublease the project to any entity. Bonds issued by any lessor corporation or authority shall be considered revenue bonds of a body politic and corporate of the state or a political subdivision for all purposes of this section.

(i) The authority may not issue revenue bonds to finance a clean coal technology project, guarantee revenue bonds issued by another body corporate and politic of Indiana or a political subdivision to finance a clean coal technology project, or enter into a lease in connection with a clean coal technology project unless and until:

(1) the lieutenant governor evaluates in writing the technical merits and feasibility of the clean coal technology project and the lieutenant governor presents the evaluation with a recommendation to proceed to the budget committee for review;

(2) the authority, in cooperation with the budget agency, evaluates the financial merits and feasibility of the clean coal technology project (including a plan of finance for the project and appropriate assurances that the project will be constructed as contemplated) and the authority presents the evaluation with a recommendation to proceed to the budget committee for review;

(3) the budget committee completes the reviews described in this subsection and makes a recommendation to proceed to the state board of finance; and

(4) the state board of finance approves the undertaking of the clean coal technology project and plan of finance.

(j) In evaluating the technical merits and feasibility of the clean coal technology project, the lieutenant governor may rely upon the written testimony of outside experts retained for this purpose.

(k) The plan of finance described in subsection (i) must indicate whether, in the authority's opinion, state appropriations will be needed to support the project and if so, the anticipated times and amounts of the appropriations.

(l) In creating the clean coal technology program and in authorizing the financing of clean coal technology projects, the general assembly expects that the plan of finance for each project will take into account revenues from the project and contributions from

the beneficiaries of the program. For purposes of this section, "beneficiaries" means corporate and individual sponsors and proponents of projects, the coal industry and coal users, and employees of the coal industry and coal users, and political subdivisions whose economies are dependent in whole or in part on the coal industry. Contributions may be in cash, in kind, or in any combination of in cash and in kind, and may include real and personal property and interests in real and personal property and in technology, patents, licenses, franchises, marketing agreements, and shares and other interests in any of the foregoing. In evaluating and reviewing projects and plans of finance under this section, the authority, the lieutenant governor, the budget agency, the budget committee, and the state board of finance shall be guided by the general assembly's expectation as to contributions from the beneficiaries of the program as described in this subsection. However, failure of any particular beneficiary to contribute to a project shall not in itself disqualify a project.

(m) This section only applies to the clean coal technology program and clean coal technology projects and not to any other programs or projects undertaken by the authority.

*As added by P.L.28-1995, SEC.1. Amended by P.L.1-2006, SEC.30.*

#### **IC 4-4-11-44**

##### **Repealed**

*(As added by P.L.25-2005, SEC.1. Repealed by P.L.162-2007, SEC.42.)*

#### **IC 4-4-11-44.6**

##### **Participants in the wastewater revolving loan program, drinking water revolving loan program, and supplemental drinking water and wastewater assistance program; investment of funds**

Sec. 44.6. (a) For purposes of this section, "program" refers to:

- (1) a program defined in IC 13-11-2-172(a) through IC 13-11-2-172(b); and
- (2) the supplemental drinking water and wastewater assistance program established by IC 13-18-21-21.

(b) Notwithstanding any statute applicable to or constituting any limitation on the investment or reinvestment of funds by or on behalf of political subdivisions:

- (1) a participant receiving financial assistance in connection with a program may invest and reinvest funds that constitute, replace, or substitute for the proceeds of bonds or other evidence of indebtedness sold to the authority under the program, together with any account or reserves of a participant not funded with the proceeds of the bonds or other evidence of indebtedness purchased by the authority but which secure or provide payment for those bonds or other evidence of indebtedness, in any instrument or other investment authorized under a resolution of the authority; and

(2) a participant that is obligated to make payments on bonds or other evidence of indebtedness purchased in connection with the operation of a program may invest and reinvest funds that constitute, replace, or substitute for the proceeds of those bonds or other evidence of indebtedness, together with any account or reserves of a participant not funded with the proceeds of the bonds or other evidence of indebtedness purchased under the program but which secure or provide payment for those bonds or other evidence of indebtedness, in any instrument or other investment authorized under a resolution of the authority.

*As added by P.L.235-2005, SEC.32.*

#### **IC 4-4-11-45**

##### **Repealed**

*(As added by P.L.25-2005, SEC.2. Amended by P.L.1-2006, SEC.31. Repealed by P.L.162-2007, SEC.42.)*

#### **IC 4-4-11-46**

##### **Annual report**

Sec. 46. Not later than August 1 of each year, the public finance director shall prepare for the interim study committee on roads and transportation a report that includes the following:

(1) Updates on transportation projects in which the authority is involved, including public-private agreements under IC 8-15.5 or public-private partnerships under IC 8-15.7.

(2) Any other information requested by the study committee.

The report must be submitted in an electronic format under IC 5-14-6.

*As added by P.L.16-2014, SEC.2. Amended by P.L.53-2014, SEC.51.*