



Reprinted  
April 5, 2019

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## ENGROSSED HOUSE BILL No. 1594

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DIGEST OF HB 1594 (Updated April 4, 2019 4:07 pm - DI 120)

**Citations Affected:** IC 5-1.2.

**Synopsis:** Indiana finance authority matters. Provides that any proposed extension or amendment to certain public-private agreements that: (1) makes a substantial change to: (A) the scope of the public-private agreement; or (B) the uses of the revenue generated under the public-private agreement; or (2) results in a positive, new revenue impact of at least \$1,000,000 under the public-private agreement being amended or extended shall be submitted to the state budget committee for review. Prohibits any extension or amendment to such a public-private agreement until after the state budget committee has reviewed the proposed extension or amendment. Allows the chairman of the state budget committee to waive these requirements. Specifies that any lump sum amounts or series of amounts totaling more than \$1,000,000 received under such a public-private agreement must be held in reserve until May 1 of the calendar year following the calendar year in which the lump sum payment was received.

**Effective:** Upon passage.

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### Huston, Porter, DeLaney, Brown T

(SENATE SPONSORS — MISHLER, NIEZGODSKI, TALLIAN, HOLDMAN,  
RANDOLPH LONNIE M, ROGERS)

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January 22, 2019, read first time and referred to Committee on Ways and Means.  
February 11, 2019, amended, reported — Do Pass.  
February 14, 2019, read second time, ordered engrossed. Engrossed.  
February 18, 2019, read third time, passed. Yeas 98, nays 0.

SENATE ACTION

March 7, 2019, read first time and referred to Committee on Appropriations.  
March 21, 2019, amended, reported favorably — Do Pass.  
April 4, 2019, read second time, amended, ordered engrossed.

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EH 1594—LS 7007/DI 58





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First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1594

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A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration and to make an appropriation.

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

1 SECTION 1. IC 5-1.2-4.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]:

4 **Chapter 4.5. Public-Private Agreements**  
5 **Sec. 1. (a) This chapter applies to a public-private agreement to**  
6 **which the authority or the state, including any state agency or**  
7 **instrumentality of the state, is a party under IC 5-23**  
8 **(public-private agreements generally), IC 8-15.5 (toll roads), or**  
9 **IC 8-15.7 (highways, roads, bridges). This chapter applies to any**  
10 **original public-private agreement and any extension or**  
11 **amendment to a public-private agreement already in effect.**

12 **(b) If a provision of this chapter conflicts with a provision of**  
13 **IC 5-23, IC 8-15.5, or IC 8-15.7, the provision of this chapter**  
14 **controls with respect to the public-private agreement.**

15 **Sec. 2. The authority and the state shall include in any**  
16 **public-private agreement and in any extension or amendment to a**  
17 **public-private agreement entered into after May 1, 2019, a**

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1 statement that any extension or amendment to the public-private  
 2 agreement may not be entered into by the authority or the state  
 3 without first complying with section 3 of this chapter.

4 Sec. 3. (a) This section applies only to an extension or an  
 5 amendment to a public-private agreement that is proposed or  
 6 entered into after May 1, 2019.

7 (b) Subject to subsection (c), if any proposed extension or  
 8 amendment to a public-private agreement described in section 1 of  
 9 this chapter:

10 (1) makes a substantial change to:

11 (A) the scope of the public-private agreement being  
 12 amended or extended; or

13 (B) the uses of the revenue generated under the  
 14 public-private agreement being amended or extended; or

15 (2) results in a positive, new revenue impact of at least one  
 16 million dollars (\$1,000,000) under the public-private  
 17 agreement being amended or extended;

18 the authority or the state shall submit the proposed extension or  
 19 amendment to the public-private agreement to the budget  
 20 committee established by IC 4-12-1-3 for its review. The budget  
 21 committee may request that the authority or appropriate state  
 22 agency, or both, appear at a public meeting of the budget  
 23 committee concerning the proposed extension or amendment to the  
 24 public-private agreement. Except as provided in subsection (c),  
 25 neither the authority nor the state may enter into any extension or  
 26 amendment to a public-private agreement described in this  
 27 subsection until after the budget committee has reviewed the  
 28 proposed extension or amendment.

29 (c) The chairman of the budget committee may waive the  
 30 requirements under subsection (b) for any proposed extension or  
 31 amendment to a public-private agreement described in section 1 of  
 32 this chapter.

33 Sec. 4. (a) This section applies only to an extension or an  
 34 amendment to a public-private agreement that is proposed or  
 35 entered into after May 1, 2019.

36 (b) If the authority or the state receives a lump sum payment or  
 37 a series of payments totaling more than one million dollars  
 38 (\$1,000,000) as a result of entering into any extension or  
 39 amendment to a public-private agreement in accordance with  
 40 section 3 of this chapter, any amount of that payment that is not  
 41 obligated to cover any obligation incurred or amounts owed by the  
 42 authority or the state before the date of the extension or



1 amendment shall be deposited in a special payment reserve fund to  
2 be administered by the Indiana finance authority.

3 (c) The money in the special payment reserve fund at the end of  
4 any state fiscal year does not revert to any other fund.

5 (d) The authority shall invest or cause to be invested all the  
6 money in the special payment reserve fund in one (1) or more  
7 fiduciary accounts with a trustee that is a financial institution in  
8 accordance with the authority's investment policy.

9 (e) The special payment reserve fund may not be used for any  
10 purpose before May 1 of the year following the year in which the  
11 payment was received. Thereafter, unless the use of the fund is  
12 otherwise specified by law, the money in the fund shall be allocated  
13 and distributed to the fund into which the payment would have  
14 otherwise been deposited under the law authorizing the particular  
15 public-private agreement.

16 SECTION 2. An emergency is declared for this act.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1594, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 5, delete "any" and insert "a".

Page 1, line 7, delete "regardless of the statutory".

Page 1, delete line 8.

Page 1, line 9, delete "including" and insert "under".

Page 1, line 10, delete "and" and insert "or".

Page 1, line 14, delete "another statute," and insert "**IC 5-23, IC 8-15.5, or IC 8-15.7,**".

Page 2, line 1, after "agreement" insert "**entered into after May 1, 2019,**".

Page 2, line 4, delete "With respect to any public-private".

Page 2, delete lines 5 through 8.

Page 2, line 9, delete "The" and insert "**(a) This section applies only to an extension or an amendment to a public-private agreement that is proposed or entered into after May 1, 2019.**

**(b) If any proposed extension or amendment to a public-private agreement described in section 1 of this chapter results in a fiscal impact, the**

Page 2, line 9, delete "any" and insert "the".

Page 2, line 19, after "(a)" insert "**This section applies only to an extension or an amendment to a public-private agreement that is proposed or entered into after May 1, 2019.**

**(b)**".

Page 2, line 21, delete "agreement," and insert "**agreement in accordance with section 3 of this chapter,**".

Page 2, line 26, delete "(b)" and insert "(c)".

Page 2, line 28, delete "(c)" and insert "(d)".

Page 2, line 28, delete "may invest" and insert "**shall invest or cause to be invested all**".

Page 2, line 28, after "payment" insert "**reserve fund in one (1) or more fiduciary accounts with a trustee that is a financial institution in accordance with the authority's investment policy.**".



Page 2, delete lines 29 through 30.

Page 2, line 31, delete "(d)" and insert "(e)".

and when so amended that said bill do pass.

(Reference is to HB 1594 as introduced.)

HUSTON

Committee Vote: yeas 19, nays 0.

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COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred House Bill No. 1594, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 8, after "in a" insert "**positive or negative**".

Page 2, line 9, after "impact" delete "," and insert "**of at least one million dollars (\$1,000,000)**".

Page 2, line 11, delete "review and" and insert "**review**".

Page 2, line 12, delete "comment".

Page 2, line 22, after "payment" insert "**or a series of payments**".

Page 2, line 38, delete "lump sum".

and when so amended that said bill do pass.

(Reference is to HB 1594 as printed February 12, 2019.)

MISHLER, Chairperson

Committee Vote: Yeas 10, Nays 0.

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SENATE MOTION

Madam President: I move that Engrossed House Bill 1594 be amended to read as follows:

Page 2, delete lines 7 through 19, begin a new paragraph and insert:

**"(b) Subject to subsection (c), if any proposed extension or amendment to a public-private agreement described in section 1 of this chapter:**

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**(1) makes a substantial change to:**

**(A) the scope of the public-private agreement being amended or extended; or**

**(B) the uses of the revenue generated under the public-private agreement being amended or extended; or**

**(2) results in a positive, new revenue impact of at least one million dollars (\$1,000,000) under the public-private agreement being amended or extended;**

**the authority or the state shall submit the proposed extension or amendment to the public-private agreement to the budget committee established by IC 4-12-1-3 for its review. The budget committee may request that the authority or appropriate state agency, or both, appear at a public meeting of the budget committee concerning the proposed extension or amendment to the public-private agreement. Except as provided in subsection (c), neither the authority nor the state may enter into any extension or amendment to a public-private agreement described in this subsection until after the budget committee has reviewed the proposed extension or amendment.**

**(c) The chairman of the budget committee may waive the requirements under subsection (b) for any proposed extension or amendment to a public-private agreement described in section 1 of this chapter."**

Page 2, line 24, after "series of payments" insert "**totaling more than one million dollars (\$1,000,000)**".

Page 3, delete lines 2 through 22.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1594 as printed March 22, 2019.)

MISHLER

