

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.

SENATE ENROLLED ACT No. 7

AN ACT concerning economic development and to make an appropriation.

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

SECTION 1. IC 5-1-17-18, AS AMENDED BY P.L.252-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) Subject to subsection (h), the authority may issue bonds for the purpose of obtaining money to pay the cost of:

- (1) acquiring real or personal property, including existing capital improvements;
- (2) constructing, improving, reconstructing, or renovating one (1) or more capital improvements; or
- (3) funding or refunding bonds issued under IC 36-10-8 or IC 36-10-9 or prior law.

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

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

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

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

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

(g) All money received from any bonds issued under this chapter shall be applied to the payment of the cost of the acquisition or

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construction, or both, of capital improvements, or the cost of refunding or refinancing outstanding bonds, for which the bonds are issued. The cost may include:

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

(h) The authority may not issue bonds under this chapter unless the authority first finds that the following conditions are met:

~~(1) Each contract or subcontract for the construction of a facility and all buildings, facilities, structures, and improvements related to that facility to be financed in whole or in part through the issuance of the bonds requires the contractor or subcontractor to enter into a project labor agreement as a condition of being awarded and performing work on the contract.~~

~~(2) (1) The capital improvement board and the authority have entered into a written agreement concerning the terms of the financing of the facility. This agreement must include the following provisions:~~

~~(A) Notwithstanding any other law, if the capital improvement board selected a construction manager and an architect for a facility before May 15, 2005, the authority will contract with that construction manager and architect and use plans as developed by that construction manager and architect. In addition, any other agreements entered into by the capital improvement board or a political subdivision served by the capital improvement board with respect to the design and~~



construction of the facility will be reviewed by a selection committee consisting of:

- (i) two (2) of the members appointed to the board of directors of the authority under section 7(a)(1) of this chapter, as designated by the governor;
- (ii) the two (2) members appointed to the board of directors of the authority under section 7(a)(2) of this chapter; and
- (iii) the executive director of the authority.

The selection committee is not bound by any prior commitments of the capital improvement board or the political subdivision, other than the general project design, and will approve all contracts necessary for the design and construction of the facility.

(B) If before May 15, 2005, the capital improvement board acquired any land, plans, or other information necessary for the facility and the board had budgeted for these items, the capital improvement board will transfer the land, plans, or other information useful to the authority for a price not to exceed the lesser of:

- (i) the actual cost to the capital improvement board; or
- (ii) three million five hundred thousand dollars (\$3,500,000).

(C) The capital improvement board agrees to take any legal action that the authority considers necessary to facilitate the financing of the facility, including entering into agreements during the design and construction of the facility or a sublease of a capital improvement to any state agency that is then leased by the authority to any state agency under section 26 of this chapter.

(D) The capital improvement board is prohibited from taking any other action with respect to the financing of the facility without the prior approval of the authority. The authority is not bound by the terms of any agreement entered into by the capital improvement board with respect to the financing of the facility without the prior approval of the authority.

(E) As the project financier, the Indiana finance authority (or its successor agency) and the public finance director will be responsible for selecting all investment bankers, bond counsel, trustees, and financial advisors.

(F) The capital improvement board agrees to deliver to the authority the one hundred million dollars (\$100,000,000) that is owed to the capital improvement board, the consolidated



city, or the county having a consolidated city pursuant to an agreement between the National Football League franchised professional football team and the capital improvement board, the consolidated city, or the county. This amount shall be applied to the cost of construction for the stadium part of the facility. This amount does not have to be delivered until a lease is entered into for the stadium between the authority and the capital improvement board.

(G) The authority agrees to consult with the staff of the capital improvement board on an as needed basis during the design and construction of the facility, and the capital improvement board agrees to make its staff available for this purpose.

(H) The authority, the county, the consolidated city, the capital improvement board and the National Football League franchised professional football team must commit to using their best efforts to assist and cooperate with one another to design and construct the facility on time and on budget.

⊕ **(2)** The capital improvement board and the National Football League franchised professional football team have entered into a lease for the stadium part of the facility that has been approved by the authority and has a term of at least thirty (30) years.

SECTION 2. IC 5-1-17-18.3 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:** **Sec. 18.3. (a) The following definitions apply throughout this section:**

(1) "Contract" includes a lease or other agreement.

(2) "Contract limitation" refers to a bid specification, project agreement, lease provision, or other contract document that does any of the following:

(A) Requires a bidder, offeror, or contractor in any contractor tier to enter into or adhere to an agreement with a labor organization relating to a project.

(B) Prohibits a bidder, offeror, or contractor in any contractor tier from entering into or adhering to an agreement with a labor organization relating to a project.

(C) Discriminates against a bidder, offeror, or contractor in any contractor tier for any of the following:

(i) Becoming or remaining a signatory to an agreement with a labor organization relating to a project.

(ii) Refusing to become or remain a signatory to an agreement with a labor organization relating to a project.



(iii) Adhering or refusing to adhere to an agreement with a labor organization relating to a project.

(3) "Project" refers to a project of the authority for the construction of a facility and all buildings, facilities, structures, and improvements related to that facility to be financed in whole or in part from funds derived from the establishment of a tax area under IC 36-7-31.5.

(4) "Public benefit" refers to a grant, a tax abatement, a tax credit, or establishment or use of tax area revenues related to a project.

(b) A contract relating to a project may not require a contractor or subcontractor to enter into a contract limitation as a condition of being awarded and performing work on the contract. Any such provision is void.

(c) A public entity may not award a public benefit that is conditioned upon a requirement that the person awarded the public benefit include a contract limitation in a contract document related to a project. Any such provision is void.

SECTION 3. IC 5-13-10.5-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) This section applies after July 1, 2025, if:

(1) the:

(A) capital improvement board of managers; and

(B) a professional sports franchise that is part of the National Basketball Association;

enter into a new agreement of at least twenty-five (25) years before April 20, 2019;

(2) the increase in the tax rate imposed under IC 6-6-9.7-7(e) by the city-county council continues in effect through December 31, 2040;

(3) the increase in the tax rate imposed under IC 6-9-13-2(c) by the city-county council continues in effect through December 31, 2040; and

(4) the tax rate in effect under IC 6-9-8-3 is ten percent (10%).

(b) As used in this section, "capital improvement board" refers to a capital improvement board of managers established under IC 36-10-9.

(c) As used in this section, "restricted deposits" refers to any amount deposited into an excess revenues account established under an agreement described in IC 5-1-17-28.

(d) For each state fiscal year beginning after June 30, 2025, and



ending before July 1, 2037, the state budget director shall, before August 1, certify the amount of restricted deposits for the state fiscal year to the treasurer of state.

(e) To qualify for an investment under this section, the capital improvement board must submit a request to the treasurer of state in the form and manner required by the treasurer of state. As part of the request, the capital improvement board shall include the agreement described in subsection (a)(1) and commit to repay the capital improvement board's obligation to the treasurer of state from:

(1) all restricted deposits as restricted deposits are available to the capital improvement board; and

(2) if, after the payment of all obligations owed by the capital improvement board to the office of management and budget under all subleases of capital improvements under IC 5-1-17-26, the restricted deposits are insufficient to fully repay the capital improvement board's obligation to the treasurer of state, each of the following, which shall be transferred to the treasurer of state until, in each case, the capital improvement board's obligation to the treasurer of state is fully paid:

(A) All county supplemental auto rental excise tax revenues collected under IC 6-6-9.7-7(b) and IC 6-6-9.7-7(c).

(B) All county innkeeper's tax revenues collected under IC 6-9-8-3(b) and IC 6-9-8-3(c).

(C) All county food and beverage tax revenues collected under IC 6-9-12-5(a) and IC 6-9-12-5(b).

If the capital improvement board fails to pay all of its obligations to the treasurer of state when due, the remaining amount owed shall be withheld by the auditor of state from any money available to the capital improvement board. The amount withheld shall be transferred to the treasurer of state to the credit of the capital improvement board.

(f) If the capital improvement board makes a request under subsection (e), after review by the state budget committee, the treasurer of state shall approve the request and enter into an agreement with the capital improvement board under this section.

(g) After the capital improvement board and the treasurer of state enter into an agreement under subsection (f), and after determining that restricted deposits have been deposited as described in subsection (e), the treasurer of state shall invest or



reinvest funds from the state general fund in obligations issued by the capital improvement board. The terms of each investment and the capital improvement board's obligation must include the following items:

(1) The duration of the agreement may begin not earlier than July 1, 2025, and terminate no later than July 1, 2037.

(2) Before September 1 of each state fiscal year of the agreement, the treasurer of state shall invest or reinvest funds from the state general fund in obligations issued by the capital improvement board in amounts requested by the capital improvement board but not to exceed the amount of restricted deposits certified by the budget director for the state fiscal year to the capital improvement board and the amount shall be included in the capital improvement board's obligation under this section.

(3) In no event may the amount invested or reinvested under subdivision (2) exceed the excess of the amount then on deposit in the excess revenues account described in subsection (c) over the aggregate of any prior investments by the treasurer of state, including any accrued and unpaid interest on the prior investments by the treasurer of state, but not including the principal amount on any prior investments that have been repaid by the capital improvement board.

(4) The rate of interest shall be set by the treasurer of state, at a rate then currently applicable to a United States Treasury note that has payment terms that are substantially the same as the obligation being issued by the capital improvement board.

(5) The capital improvement board shall pay its total obligation, with interest, to the treasurer of state no later than June 30, 2040.

(h) The capital improvement board may issue obligations under this section by adoption of a resolution and, as set forth in IC 5-1-14, may use any source of revenue to satisfy the obligation to the treasurer of state under this section. This section constitutes complete authority for the capital improvement board to issue obligations to the treasurer of state.

(i) The capital improvement board's obligations to the treasurer of state entered into under this section shall not be considered debt for purposes of IC 36-1-15.

(j) This section expires on the later of:

(1) July 1, 2041; or



(2) the date on which all obligations owed by the capital improvement board to the treasurer of state under this section are paid in full.

SECTION 4. IC 6-6-9.7-7, AS AMENDED BY P.L.205-2013, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The city-county council of a county that contains a consolidated city may adopt an ordinance to impose an excise tax, known as the county supplemental auto rental excise tax, upon the rental of passenger motor vehicles and trucks in the county for periods of less than thirty (30) days. The ordinance must specify that the tax expires December 31, 2027.

(b) Except as provided in subsection (c), the county supplemental auto rental excise tax that may be imposed upon the rental of a passenger motor vehicle or truck equals two percent (2%) of the gross retail income received by the retail merchant for the rental.

(c) On or before June 30, 2005, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the tax imposed under subsection (a) from two percent (2%) to four percent (4%). The ordinance must specify that:

(1) if on December 31, 2027, there are obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the original two percent (2%) rate imposed under subsection (a) continues to be levied after its original expiration date set forth in subsection (a) and through December 31, 2040; and

(2) the additional rate authorized under this subsection expires on:

(A) January 1, 2041;

(B) January 1, 2010, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under IC 5-1-17-26; or

(C) October 1, 2005, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under a lease or a sublease of an existing capital improvement entered into under IC 5-1-17, unless waived by the budget director.

(d) The amount collected from that portion of county supplemental auto rental excise tax imposed under:

(1) subsection (b) and collected after December 31, 2027; and

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(2) under subsection (c); shall, in the manner provided by section 11 of this chapter, be distributed to the capital improvement board of managers operating in a consolidated city or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received under this subsection in a special fund, which may be used only for the payment of the obligations described in this subsection.

(e) After January 1, 2013, and before March 1, 2013, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the tax rate imposed under subsection (a) by not more than two percent (2%). The amount collected from an increase adopted under this subsection shall be deposited in the sports and convention facilities operating fund established by IC 36-7-31-16. An increase in the tax rate under this subsection continues in effect unless the increase is rescinded. However, any increase in the tax rate under this subsection may not continue in effect after ~~February 28, 2023~~. **December 31, 2040.**

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

(g) If a city-county council adopts an ordinance under subsection (a), (c), or (e), on or before the fifteenth day of a month, the county supplemental auto rental excise tax applies to auto rentals after the last day of the month in which the ordinance is adopted. If the city-county council adopts an ordinance under subsection (a), (c), or (e), after the fifteenth day of a month, the county supplemental auto rental excise tax applies to auto rentals after the last day of the month following the month in which the ordinance is adopted.

SECTION 5. IC 6-9-8-3, AS AMENDED BY P.L.182-2009(ss), SECTION 260, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The tax imposed by section 2 of this chapter shall be at the rate of:

- (1) before January 1, 2028, five percent (5%) on the gross income derived from lodging income only, plus an additional one percent (1%) if the fiscal body adopts an ordinance under subsection (b),



plus an additional three percent (3%) if the fiscal body adopts an ordinance under subsection (d);

(2) after December 31, 2027, and before January 1, 2041, five percent (5%), plus an additional one percent (1%) if the fiscal body adopts an ordinance under subsection (b), plus an additional three percent (3%) if the fiscal body adopts an ordinance under subsection (d); and

(3) after December 31, 2040, five percent (5%).

(b) In any year subsequent to the initial year in which a tax is imposed under section 2 of this chapter, the fiscal body may, by ordinance adopted by at least two-thirds (2/3) of the members elected to the fiscal body, increase the tax imposed by section 2 of this chapter from five percent (5%) to six percent (6%). The ordinance must specify that the increase in the tax authorized under this subsection expires ~~January 1, 2028~~: **December 31, 2040**.

(c) The amount collected from an increase adopted under subsection (b) shall be transferred to the capital improvement board of managers established by IC 36-10-9-3. The board shall deposit the revenues received under this subsection in a special fund. Money in the special fund may be used only for the payment of obligations incurred to expand a convention center, including:

(1) principal and interest on bonds issued to finance or refinance the expansion of a convention center; and

(2) lease agreements entered into to expand a convention center.

(d) On or before June 30, 2005, the fiscal body may, by ordinance adopted by a majority of the members elected to the fiscal body, increase the tax imposed by section 2 of this chapter by an additional three percent (3%) to a total rate of eight percent (8%) (or nine percent (9%) if the fiscal body has adopted an ordinance under subsection (b) and that rate remains in effect). The ordinance must specify that the increase in the tax authorized under this subsection expires on:

(1) January 1, 2041;

(2) January 1, 2010, if on that date there are no obligations owed by the capital improvement board of managers to the authority created by IC 5-1-17 or to any state agency under IC 5-1-17-26; or

(3) October 1, 2005, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under a lease or a sublease of an existing capital improvement entered into under IC 5-1-17, unless waived by the budget director.



If the fiscal body adopts an ordinance under this subsection, it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue, and the increase in the tax imposed under this chapter applies to transactions that occur after June 30, 2005.

(e) Before September 1, 2009, the fiscal body may, by ordinance adopted by a majority of the members elected to the fiscal body, increase the tax rate under this chapter by not more than one percent (1%). If the fiscal body adopts an ordinance under this subsection:

- (1) it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue; and
- (2) the tax applies to transactions after the last day of the month in which the ordinance is adopted, if the city-county council adopts the ordinance on or before the fifteenth day of a month. If the city-county council adopts the ordinance after the fifteenth day of a month, the tax applies to transactions after the last day of the month following the month in which the ordinance is adopted.

The increase in the tax imposed under this subsection continues in effect unless the increase is rescinded.

(f) The amount collected from an increase adopted under:

- (1) subsection (b) and collected after December 31, 2027; and
- (2) subsection (d);

shall be transferred to the capital improvement board of managers established by IC 36-10-9-3 or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency pursuant to IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received under this subsection in a special fund, which may be used only for the payment of the obligations described in this subsection.

(g) The amount collected from an increase adopted under subsection (e) shall be deposited in the sports and convention facilities operating fund established by IC 36-7-31-16.

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



1, 2041, any event and, after December 31, 2040, any professional sporting event:

- (1) held in a facility financed in whole or in part by:
 - (A) bonds or notes issued under IC 18-4-17 (before its repeal on September 1, 1981), IC 36-10-9, or IC 36-10-9.1; or
 - (B) a lease or other agreement under IC 5-1-17 **or IC 36-7-31.5**; and
- (2) to which tickets are offered for sale to the public by:
 - (A) the box office of the facility; or
 - (B) an authorized agent of the facility.

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

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

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

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

SECTION 7. IC 6-9-13-2, AS AMENDED BY P.L.205-2013, SECTION 132, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in subsection (b), the county admissions tax equals five percent (5%) of the price for admission to any event described in section 1 of this chapter.

(b) On or before June 30, 2005, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the county admissions tax from five percent (5%) to six percent (6%) of the price for admission to any event described in section 1 of this chapter.

(c) After January 1, 2013, and before March 1, 2013, the city-county

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council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the county admissions tax rate by not more than four percent (4%) of the price for admission to any event described in section 1 of this chapter. If the city-county council adopts an ordinance under this subsection:

(1) the city-county council shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue; and

(2) the tax applies to transactions after the last day of the month in which the ordinance is adopted, if the city-county council adopts the ordinance on or before the fifteenth day of a month. If the city-county council adopts the ordinance after the fifteenth day of a month, the tax applies to transactions after the last day of the month following the month in which the ordinance is adopted.

The increase in the tax imposed under this subsection continues in effect unless the increase is rescinded. However, any increase in the tax rate under this subsection may not continue in effect after ~~February 28, 2023~~. **December 31, 2040.**

(d) The amount collected from that portion of the county admissions tax imposed under:

- (1) subsection (a) and collected after December 31, 2027; and
- (2) subsection (b);

shall be distributed to the capital improvement board of managers or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received from that portion of the county admissions tax imposed under subsection (b) in a special fund, which may be used only for the payment of the obligations described in this subsection.

(e) The amount collected from an increase adopted under subsection (c) shall be deposited in the sports and convention facilities operating fund established by IC 36-7-31-16.

SECTION 8. IC 14-20-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

Chapter 17. Legacy Project

Sec. 1. (a) The legacy project is established.

(b) The legacy project must be located at an Indianapolis parks

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and recreation department location located within a four (4) mile radius of the Soldiers' and Sailors' Monument in Indianapolis.

SECTION 9. IC 36-7-31-10, AS AMENDED BY P.L.182-2009(ss), SECTION 409, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) A commission may establish as part of a professional sports development area any facility or complex of facilities **described in this section. The tax area may include a facility or complex of facilities described in this section and any parcel of land on which the facility or complex of facilities is located. An area may contain noncontiguous tracts of land within the county.**

(b) Before July 1, 2019, the tax area may include any facility or complex of facilities:

- (1) that is used in the training of a team engaged in professional sporting events;
- (2) that is:
 - (A) financed in whole or in part by:
 - (i) notes or bonds issued by a political subdivision or issued under IC 36-10-9 or IC 36-10-9.1; or
 - (ii) a lease or other agreement under IC 5-1-17; and
 - (B) used to hold a professional sporting event; or
- (3) that consists of a hotel, motel, or a multibrand complex of hotels and motels, with significant meeting space:
 - (A) located in an area in Indianapolis, Indiana, bounded on the east by Illinois Street, on the south by Maryland Street, and on the west and north by Washington Street, as those streets were located on June 1, 2009;
 - (B) that provides:
 - (i) convenient accommodations for consideration to the general public for periods of less than thirty (30) days, especially for individuals attending professional sporting events, conventions, or similar events in the capital improvements that are owned, leased, or operated by the capital improvement board; and
 - (ii) significant meeting and convention space that directly enhances events held in the capital improvements that are owned, leased, or operated by the capital improvement board; and
 - (C) that enhances the convention opportunities for the capital improvement board to hold events that:
 - (i) would not otherwise be possible; and
 - (ii) directly affect the success of both the facilities and



capital improvements that are owned, leased, or operated by the capital improvement board.

The tax area may include a facility or complex of facilities described in this section and any parcel of land on which the facility or complex of facilities is located. An area may contain noncontiguous tracts of land within the county.

(c) After June 30, 2019, and in addition to the tax area described in subsection (b), the tax area may also include any facility or complex of facilities:

(1) that consists of a hotel, motel, or a multibrand complex of hotels located in an area in Indianapolis, Indiana:

(A) in the southeast quadrant of an area bounded on the east by Pennsylvania Street, on the south by Georgia Street, on the west by Meridian Street, and on the north by Maryland Street, as those streets were located on July 1, 2019;

(B) bounded on the west by Capitol Avenue, on the south by South Street, on the east by Meridian Street, and on the north by Louisiana Street, as those streets were located on July 1, 2019;

(C) bounded on the west by Illinois Street, on the south by Jackson Place, on the east by McCrea Street, and on the north by Georgia Street, as those streets were located on July 1, 2019;

(D) bounded on the west by Capitol Avenue, on the south by Washington Street, on the east by Illinois Street, and on the north by Court Street, as those streets were located on July 1, 2019;

(E) bounded on the west by Illinois Street, on the south by Washington Street, on the east by Meridian Street, and on the north by Market Street, as those streets were located on July 1, 2019;

(F) bounded on the west by Capitol Avenue, on the south by Market Street, on the east by Illinois Street, and on the north by Wabash Street, as those streets were located on July 1, 2019;

(G) bounded on the west by Pierson Street, on the south by Wabash Street, on the east by Meridian Street, and on the north by Ohio Street, as those streets were located on July 1, 2019;

(H) in the south half of an area bounded on the west by Delaware Street, on the south by South Street, on the east



by Alabama Street, and on the north by Maryland Street, as those streets were located on July 1, 2019; or

(I) bounded on the west by Illinois Street, on the south by Georgia Street, on the east by Meridian Street, and on the north by Maryland Street, as those streets were located on July 1, 2019; and

(2) that provides convenient accommodations for consideration to the general public for periods of less than thirty (30) days, especially for individuals attending professional sporting events, conventions, or similar events in the capital improvements that are owned, leased, or operated by the capital improvement board.

~~(b)~~ (d) With respect to the site or future site of a facility or complex of facilities described in subsection ~~(a)(3)~~; subsections (b)(3) and (c), the general assembly finds the following:

(1) That the facility or complex of facilities in the tax area provides both convenient accommodations for professional sporting events, conventions, or similar events and significant meeting and convention space that directly enhance events held in the capital improvements that are owned, leased, or operated by the capital improvement board.

(2) That the facility or complex of facilities in the tax area and the capital improvements that are owned, leased, or operated by the capital improvement board are integrally related to enhancing the convention opportunities that directly affect the success of both the facilities and capital improvements.

(3) That the facility or complex of facilities in the tax area provides the opportunity for the capital improvement board to hold events that would not otherwise be possible.

(4) That the facility or complex of facilities in the tax area protects or increases state and local tax bases and tax revenues.

SECTION 10. IC 36-7-31-11, AS AMENDED BY P.L.182-2009(ss), SECTION 410, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) A tax area must be initially established before July 1, 1999, according to the procedures set forth for the establishment of an economic development area under IC 36-7-15.1. A tax area may be changed (including to the exclusion or inclusion of a facility described in this chapter) or the terms governing the tax area may be revised in the same manner as the establishment of the initial tax area. However, a tax area may be changed as follows:

(1) After May 14, 2005, a tax area may be changed to include the

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site or future site of a facility that is or will be the subject of a lease or other agreement entered into between the capital improvement board and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26.

(2) ~~After June 30, 2009,~~ A tax area may be changed to include the site or future site of a facility or complex of facilities described in ~~section 10(a)(3)~~ **section 10(b)(3) and 10(c)** of this chapter.

(3) The terms governing a tax area may be revised only with respect to a facility or complex of facilities described in subdivision (1) or (2).

(b) In establishing or changing the tax area or revising the terms governing the tax area, the commission must do the following:

(1) With respect to a tax area change described in subsection (a)(1), the commission must make the following findings instead of the findings required for the establishment of economic development areas:

(A) That a project to be undertaken or that has been undertaken in the tax area is for a facility at which a professional sporting event or a convention or similar event will be held.

(B) That the project to be undertaken or that has been undertaken in the tax area will benefit the public health and welfare and will be of public utility and benefit.

(C) That the project to be undertaken or that has been undertaken in the tax area will protect or increase state and local tax bases and tax revenues.

(2) With respect to a tax area change described in subsection (a)(2), the commission must make the following findings instead of the findings required for the establishment of an economic development area:

(A) That the facility or complex of facilities in the tax area provides both convenient accommodations for professional sporting events, conventions, or similar events and significant meeting and convention space that directly enhance events held in the capital improvements that are owned, leased, or operated by the capital improvement board.

(B) That the facility or complex of facilities in the tax area and the capital improvements that are owned, leased, or operated by the capital improvement board are integrally related to enhancing the convention opportunities that directly affect the success of both the facilities and capital improvements.

(C) That the facility or complex of facilities in the tax area



provides the opportunity for the capital improvement board to hold events that would not otherwise be possible.

(D) That the facility or complex of facilities in the tax area protects or increases state and local tax bases and tax revenues.

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

SECTION 11. IC 36-7-31-13, AS AMENDED BY P.L.182-2009(ss), SECTION 411, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The budget agency must approve the resolution before covered taxes may be allocated under section 14 or 14.2 of this chapter.

(b) When considering a resolution with respect to a tax area change described in section 11(a)(1) of this chapter, the budget committee and the budget agency must make the following findings:

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

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

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

(c) When considering a resolution with respect to a tax area change described in section 11(a)(2) of this chapter, the budget committee and the budget agency must make the following findings:

(1) That the facility or complex of facilities described in ~~section 10(a)(3)~~ **section 10(b)(3) and 10(c)** of this chapter will provide accommodations and significant meeting and convention space that directly enhance events and that are located in convenient proximity to capital improvements that are owned, leased, or operated by the capital improvement board.

(2) That the facility or complex of facilities in the tax area and the capital improvements that are owned, leased, or operated by the capital improvement board are integrally related to enhancing the convention opportunities that directly affect the success of both the facilities and capital improvements.

(3) That the facility or complex of facilities specified in the resolution will benefit the people of Indiana by providing the



opportunity for the capital improvement board to hold events that would not otherwise be possible.

(4) That the facility or complex of facilities specified in the resolution will protect or increase state and local tax bases and tax revenues.

(5) That covered taxes, an innkeeper's tax under IC 6-9-8, or an admissions tax under IC 6-9-13 will not be used to finance or construct or in any way subsidize the construction of meeting or ballroom space that is:

(A) located within the footprint of a privately owned hotel;
or

(B) that will be operated, maintained, or otherwise controlled by a privately owned hotel.

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

SECTION 12. IC 36-7-31-14, AS AMENDED BY P.L.182-2009(ss), SECTION 412, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) This section does not apply to that part of the tax area in which a facility or complex of facilities described in ~~section 10(a)(3)~~ **section 10(b)(3) and 10(c)** of this chapter is located. A reference to "tax area" in this section does not include the part of the tax area in which a facility or complex of facilities described in ~~section 10(a)(3)~~ **section 10(b)(3) and 10(c)** of this chapter is located.

(b) A tax area must be established by resolution. A resolution establishing a tax area must provide for the allocation of covered taxes attributable to a taxable event or covered taxes earned in the tax area **as follows:**

(1) Before January 1, 2028, to the professional sports development area fund established for the county.

(2) After December 31, 2027, to the sports and convention facilities operating fund.

The allocation provision must apply to the part of the tax area covered by this section. The resolution must provide that the tax area terminates not later than December 31, ~~2027~~. **2040.**

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

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

(2) taxable in Indiana; and

(3) earned in the tax area;

shall be allocated to the tax area if the professional athlete is a member



of a team that plays the majority of the professional athletic events that the team plays in Indiana in the tax area.

(d) Except as provided by section 14.1 of this chapter, the total amount of state revenue captured by the tax area may not exceed five million dollars (\$5,000,000) per year. ~~for twenty (20) consecutive years.~~

(e) The resolution establishing the tax area must designate the facility and the facility site for which the tax area is established and covered taxes will be used.

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

SECTION 13. IC 36-7-31-14.1, AS AMENDED BY P.L.182-2009(ss), SECTION 413, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14.1. (a) The budget director appointed under IC 4-12-1-3 may determine that, commencing July 1, 2007, **and terminating January 1, 2041**, there may be captured in the tax area up to eleven million dollars (\$11,000,000) per year in addition to the up to five million dollars (\$5,000,000) of state revenue to be captured by the tax area under section 14 of this chapter for the professional sports development area fund and in addition to the state revenue to be captured by the part of the tax area covered by section 14.2 of this chapter for the sports and convention facilities operating fund. ~~for up to thirty-four (34) consecutive years.~~

(b) The budget director's determination must specify that the termination date of the tax area for purposes of the collection of the additional ~~eleven million dollars (\$11,000,000) per year revenue~~ for the professional sports development area fund is extended to not later than

(1) January 1, 2041. ~~or~~

(2) ~~January 1, 2010~~; if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under ~~IC 5-1-17-26~~.

(c) Following the budget director's determination, and commencing July 1, 2007, the maximum total amount of revenue captured by the tax area for **state fiscal** years ending before ~~January 1, 2041~~, **July 1, 2041**, is sixteen million dollars (\$16,000,000) per year for the professional sports development area fund.

~~(b)~~ (d) The additional revenue captured pursuant to a determination under subsection (a) shall be distributed to the capital improvement board or its designee. So long as there are any current or future



obligations owed by the capital improvement board to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency under a lease or another agreement entered into between the capital improvement board and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board or its designee shall deposit the additional revenue received under this subsection in a special fund, which may be used only for the payment of the obligations described in this subsection.

~~(c) Notwithstanding the budget director's determination under subsection (a), after January 1, 2010, the capture of the additional eleven million dollars (\$11,000,000) per year described in subsection (a) terminates on January 1 of the year following the first year in which no obligations of the capital improvement board described in subsection (b) remain outstanding.~~

SECTION 14. IC 36-7-31-14.2, AS ADDED BY P.L.182-2009(ss), SECTION 414, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14.2. (a) This section applies to the part of the tax area in which a facility or complex of facilities described in ~~section 10(a)(3)~~ **section 10(b)(3) and 10(c)** of this chapter is located. A reference to "tax area addition" in this section includes only the part of the tax area in which a facility or complex of facilities described in ~~section 10(a)(3)~~ **section 10(b)(3) and 10(c)** of this chapter is located.

(b) A tax area change described in section 11(a)(2) of this chapter must be established by resolution. A resolution changing the tax area must provide for a request for the allocation of:

(1) covered taxes attributable to a taxable event in the tax area addition; or

(2) covered taxes from income earned in the tax area addition; to the sports and convention facilities operating fund established by section 16(b) of this chapter. However, to the extent a covered tax has been pledged before January 1, 2009, and allocated under IC 36-10-9-11 to the capital improvement bond fund, that amount shall not be allocated to the sports and convention facilities operating fund.

(c) The allocation provision must apply only to the tax area addition.

(d) The resolution changing the tax area must designate each facility and each facility site for which the money to be distributed from the sports and convention facilities operating fund will be used.

(e) The budget director shall make an annual determination of whether at least one (1) of the following conditions is satisfied:

(1) The maximum additional tax rate for the innkeeper's tax under IC 6-9-8 was adopted after June 30, 2009, and before September



1, 2009, and was in effect on January 1 of the determination year.

(2) As of January 1 of the determination year:

(A) at least four million dollars (\$4,000,000) per year is being raised from the innkeeper's tax rate increase that was adopted under IC 6-9-8 after June 30, 2009, and before September 1, 2009; and

(B) the treasurer of state has invested in obligations issued by the capital improvement board under IC 5-13-10.5-18.

If the budget director determines that either of the conditions under subdivision (1) or (2) is satisfied, covered taxes attributable to the part of the tax area in which a facility or complex of facilities described in section ~~10(a)(3)~~ **10(b)(3)** of this chapter is located shall then be deposited in the sports and convention facilities operating fund established by section 16(b) of this chapter. ~~For 2009, the budget director may use September 1, 2009, instead of January 1, 2009, to make a determination of whether to make deposits in the sports and convention facilities operating fund in 2009.~~ However, the maximum total amount of covered taxes **attributable to the part of the tax area in which a facility or complex of facilities described in section 10(b)(3) or 10(c) of this chapter is located** that may be deposited in the sports and convention facilities operating fund **during each state fiscal year is set forth in subsection (f).**

(f) The maximum amount referred to in subsection (e) is as follows:

(1) Eight million dollars (\$8,000,000) during each year: for state fiscal years ending June 30, 2019, through June 30, 2021.

(2) Seventeen million dollars (\$17,000,000) for the state fiscal year ending June 30, 2022.

(3) Twenty million dollars (\$20,000,000) for the state fiscal year ending June 30, 2023.

(4) Twenty-four million dollars (\$24,000,000) for state fiscal years ending June 30, 2024, through June 30, 2033.

(5) Twenty-six million dollars (\$26,000,000) for state fiscal years ending June 30, 2034, through June 30, 2041.

After the state fiscal year ending June 30, 2041, no deposit shall be made. To the extent a covered tax has been pledged before January 1, 2009, and allocated under IC 36-10-9-11 to the capital improvement bond fund, that amount shall not be allocated to or deposited in the sports and convention facilities operating fund.

~~(f)~~ **(g)** The department may adopt rules under IC 4-22-2 and guidelines to govern the allocation of covered taxes from the tax area addition.



SECTION 15. IC 36-7-31-21, AS AMENDED BY P.L.182-2009(ss), SECTION 419, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. (a) Except as provided in section 14.1 of this chapter, the capital improvement board may use money distributed from the professional sports development area fund established by section 16(a) of this chapter only to construct and equip a capital improvement that is used for a professional sporting event, including the financing or refinancing of a capital improvement or the payment of lease payments for a capital improvement.

(b) The capital improvement board or its designee shall deposit the revenue received from the sports and convention facilities operating fund established by section 16(b) of this chapter in a special fund, which may be used only for paying usual and customary operating expenses with respect to the capital improvements that are owned, leased, or operated by the capital improvement board. The special fund may not be used for the payment of any current or future obligations owed by the capital improvement board

(+) to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency under a lease or another agreement entered into between the capital improvement board and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26. ~~or~~

(-) for

(c) Revenues available for deposit in the sports and convention facilities operating fund may be pledged to secure and provide for the payment of bond or lease obligations of the capital improvement board related to the construction or equipping of a capital improvement that is used for a professional sporting event or convention, including by a deposit or transfer of revenues into the the financing or refinancing of a capital improvement or the payment of lease payments for a capital improvement bond fund under IC 36-10-9-11.

SECTION 16. IC 36-7-31.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

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

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

(b) The authority for the creation of a professional sports development area under this chapter is in addition to the authority for the creation of a professional sports development area under

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IC 36-7-31.

Sec. 2. The following definitions apply throughout this chapter:

- (1) "Bonds" means bonds, notes, or other evidence of indebtedness.
- (2) "Budget agency" means the budget agency created by IC 4-12-1.
- (3) "Budget committee" means the budget committee established by IC 4-12-1-3.
- (4) "Capital improvement" means any facility or complex of facilities established as part of an additional professional sports development area under section 4 of this chapter.
- (5) "Capital improvement board" refers to the capital improvement board of managers created by IC 36-10-9-3.
- (6) "City" refers to the city of Indianapolis, Indiana.
- (7) "Commission" refers to the metropolitan development commission acting as the redevelopment commission of a consolidated city.
- (8) "Covered taxes" means the following:
 - (A) The state gross retail tax imposed under IC 6-2.5-2-1 or use tax imposed under IC 6-2.5-3-2.
 - (B) An adjusted gross income tax imposed under IC 6-3-2-1 on an individual.
 - (C) The local income tax imposed under IC 6-3.6, other than local income taxes that are paid by local taxpayers described in IC 6-3.6-2-13(3).
 - (D) A food and beverage tax imposed under IC 6-9.
- (9) "Department" refers to the department of state revenue.
- (10) "Facility" means all or any part of one (1) or more buildings, structures, or improvements constituting a capital improvement. The term refers to and includes a capital improvement.
- (11) "Facilities authority" refers to the county convention and recreational facilities authority created by IC 36-10-9.1.
- (12) "Professional soccer team" means a professional soccer team that holds its home professional sporting events in a facility constituting a capital improvement.
- (13) "Tax area" means a geographic area established by a commission as an additional professional sports development area under section 8 of this chapter.
- (14) "Taxpayer" means a person that is liable for a covered tax.

Sec. 3. (a) The general assembly finds the following:



(1) Marion County and municipalities located in Marion County face unique and distinct challenges and opportunities related to economic development issues associated with the construction of facilities that would host professional soccer and other sporting and entertainment events in the city.

(2) A unique approach is required to ensure that the facilities can be maintained to allow Marion County and those municipalities to meet these challenges and opportunities.

(3) The powers and responsibilities provided to Marion County, the city, the facilities authority, and the capital improvement board by this chapter are appropriate and necessary to carry out the public purposes of encouraging and fostering economic development in central Indiana and constructing facilities that would host professional soccer and other sporting and entertainment events in the city.

(4) Encouragement of economic development in central Indiana will:

(A) generate significant economic activity, which may attract new businesses and encourage existing businesses to remain or expand in central Indiana;

(B) promote central Indiana to residents outside Indiana, which may attract residents outside Indiana and new businesses to relocate to central Indiana;

(C) protect and increase state and local tax revenues; and

(D) encourage overall economic growth in central Indiana and in Indiana.

(b) Marion County faces unique challenges in the development of infrastructure and other facilities necessary to promote economic development:

(1) as a result of its need to rely on sources of revenue other than property taxes;

(2) due to the large number of tax exempt properties located in Marion County;

(3) because the city is the seat of state government and Marion County government; and

(4) because Marion County is home to multiple institutions of higher education and the site of numerous state and regional nonprofit corporations.

(c) Economic development benefits the health and welfare of the people of Indiana, is a public use and purpose for which public money may be spent, and is of public utility and benefit.

Sec. 4. (a) A commission may establish as part of an additional



professional sports development area any facility or complex of facilities that is:

- (1) used to hold a professional sporting event, and which in addition, may be used to hold other entertainment events, including any publicly owned parking garage, plaza, or infrastructure that is constructed or renovated in connection with the construction of the facility used to hold a professional sporting event;
- (2) used in the training of a team engaged in professional sporting events;
- (3) used in whole or in part to manage and operate the professional team that would participate in the facility used to hold a professional sporting event; or
- (4) a mixed use development, consisting, in part, of retail space, office space, apartment dwelling units, and one (1) or more hotels.

The tax area may include a facility described in this subsection and any parcel of land on which the facility is located. An area may contain noncontiguous tracts of land within the county. However, the straight line distance between any point in the tax area and the facility described in subdivision (1) may not exceed one (1) mile. The area must be separate from other professional sports development areas established under IC 36-7-31.

(b) Only the facilities described in subsection (a)(1) that are included within the additional professional sports development area may be financed with debt issued by the capital improvement board, the facilities authority, or a political subdivision.

(c) If a facility described in subsection (a)(1) shares a common wall or other improvements, equipment, or facilities with a facility described in subsection (a)(2) through (a)(4), the capital improvement board, the facilities board, or a political subdivision, as applicable, shall determine if any increase in the cost to construct or acquire the capital improvement results from the shared use and, consistent with subsection (b), whether the increased costs should or should not be financed.

Sec. 5. (a) A tax area must be initially established not later than July 1, 2022, according to the procedures set forth for the establishment of an economic development area under IC 36-7-15.1. A tax area may be changed or the terms governing the tax area revised in the same manner as the establishment of the initial tax area.

(b) In establishing or changing the terms of the tax area or



revising the terms governing the tax area, the commission must make the following findings instead of the findings required for the establishment of economic development areas:

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

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

Sec. 6. (a) Upon adoption of a resolution establishing a tax area under section 8 of this chapter, the commission shall submit the resolution to the budget committee for review.

(b) Upon adoption of a resolution changing the boundaries of a tax area under section 8 of this chapter, the commission shall:

- (1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and
- (2) file the following information with each taxing unit in the county in which the tax area is located:
 - (A) A copy of the notice required by subdivision (1).
 - (B) A statement disclosing the impact of the tax area, including the following:
 - (i) The estimated economic benefits and costs incurred by the tax, as measured by increased employment and anticipated growth of property assessed values.
 - (ii) The anticipated impact on tax revenues of each taxing unit.

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

(c) Upon completion of the actions required by subsection (b), the commission shall submit the resolution to the budget committee for review.

Sec. 7. (a) The budget agency must approve the resolution before the covered taxes may be allocated under section 8 of this chapter.

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



- (1) The project specified in the resolution is economically sound and will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the tax area established under this chapter.
- (2) The political subdivisions affected by the project specified in the resolution have committed significant resources toward completion of the improvement.
- (c) Revenues from the tax area may not be allocated until the budget agency approves the resolution.
- (d) In addition to the requirements under subsections (a) and (c), covered taxes may not be allocated unless:
- (1) the commission has established a tax area under section 8 of this chapter;
 - (2) the budget committee has reviewed the resolution;
 - (3) the city-county council has adopted an ordinance to impose an admissions tax under IC 6-9-13;
 - (4) the capital improvement board has adopted a resolution to apply revenue collected in the tax area and transferred to the capital improvement board from imposition of:
 - (A) an innkeeper's tax under IC 6-9-8; and
 - (B) an admissions tax under IC 6-9-13;
 - (5) the owner or owners of the professional soccer team have provided at least twenty percent (20%) of the cost of the project to construct the facility that will be used to host professional sporting events; and
 - (6) the Indiana finance authority has reviewed a feasibility study conducted by the capital improvement board, the commission, or the City of Indianapolis that demonstrates that the proposed project related to the proposed tax area will protect or increase the state tax base and revenues.
- (e) Revenue described in subsection (d)(4) may be used in the manner described in section 15 of this chapter.
- (f) For purposes of subsection (d)(5), the term "twenty percent (20%) of the cost" means either:
- (1) an initial contribution made before construction begins equal to twenty percent (20%) of the total capital construction cost of the facility; or
 - (2) a commitment to pay twenty percent (20%) of the annual debt service or lease rental payments payable for the facility until the financing obligation for the facility is paid in full.
- (g) An entity that:



(1) collects innkeeper's tax under IC 6-9-8 or food and beverage tax under IC 6-9-12 at one (1) or more properties in the tax area; and

(2) also has one (1) or more properties in the county that are outside the tax area;

must file separate returns for the properties in the tax area at which the entity collects innkeeper's tax under IC 6-9-8 or food and beverage tax under IC 6-9-12.

Sec. 8. (a) A tax area must be established by resolution. A resolution establishing a tax area may provide for the allocation of covered taxes attributable to a taxable event or covered taxes earned in the tax area to the additional professional sports development area fund established for the county. The allocation provision must apply to the part of the tax area covered by this section. The resolution must provide that the tax area terminates not later than thirty-two (32) years after the first allocation of covered taxes from the tax area. Covered taxes may not be collected in the tax area until after the earlier of June 30, 2021, or the date on which all the conditions set forth in this chapter are met.

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

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

(2) taxable in Indiana; and

(3) earned in the tax area;

shall be allocated to the tax area if the professional athlete is a member of a team that plays home games at a capital improvement in the tax area.

(c) The total amount of state revenue captured by the tax area may not exceed nine million five hundred thousand dollars (\$9,500,000) per state fiscal year for not more than thirty-two (32) years after the first allocation of covered taxes from the tax area.

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

(e) The department may adopt rules and guidelines to govern the allocation of covered taxes to a tax area and to adopt withholding requirements in the manner authorized under IC 6-3-4-8.

Sec. 9. (a) When the commission adopts an allocation provision, the commission shall, in cooperation with the department and the



Indiana office of technology, develop geographic information system (GIS) codes for the properties in the tax area, in accordance with guidelines issued by the department. The commission shall provide the department with any information necessary for the department to use GIS codes and data to collect covered taxes in the tax area. The commission shall update the information provided to the department and the Indiana office of technology before July 1 of each year.

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

(1) that are:

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

(2) that are:

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

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

(d) Taxpayers operating in the tax area shall report monthly, in the manner and in the form prescribed by the department, information that the department determines necessary to calculate withholdings required by IC 6-3-4-8.

(e) Taxpayers operating in the tax area shall report monthly, in the manner and in the form prescribed by the department, information that the department determines necessary to calculate state gross retail taxes imposed under IC 6-2.5-2-1.

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

Sec. 10. An additional professional sports development area fund for the county is established. The fund shall be administered by the department. Money in the fund does not revert to the state



general fund at the end of a state fiscal year.

Sec. 11. Covered taxes attributable to a tax area approved under section 8 of this chapter shall be deposited in the additional professional sports development area fund for the county.

Sec. 12. On or before the twentieth day of each month, all amounts on deposit in the additional professional sports development area fund for the county are appropriated for and shall be distributed to the capital improvement board.

Sec. 13. The auditor of state, in cooperation with the department, shall notify the county auditor of the amount of taxes to be distributed to the capital improvement board.

Sec. 14. All distributions from the additional professional sports development area fund for the county shall be made by warrants issued by the auditor of state to the treasurer of state ordering those payments to the capital improvement board.

Sec. 15. The capital improvement board may use money distributed from the additional professional sports development area fund to pay any costs related to a capital improvement described in section 4(a)(1) of this chapter, including the following:

- (1) Any costs related to the operation, maintenance, or replacement of a capital improvement described in section 4(a)(1) of this chapter.
- (2) Any costs related to constructing, renovating, and equipping a capital improvement described in section 4(a)(1) of this chapter.
- (3) Any costs related to the financing or refinancing of a capital improvement described in section 4(a)(1) of this chapter.
- (4) Any costs or expenses of the capital improvement board or the facilities authority incurred in connection with administering the capital improvement or related bonds, leases, agreements, or related undertakings.

Sec. 16. All capital improvements financed under this chapter are subject to the provisions of 25 IAC 5 concerning equal opportunities for minority business enterprises, women's business enterprises, and veteran or disabled business enterprises to participate in procurement and contracting processes. The goals for participation are the following:

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



The commission or the capital improvement board may adjust these participation percentages for each goal to reflect the results of a disparity study conducted by the City of Indianapolis. These goals must be consistent with the goals of delivering the project on time and within the budgeted amount and, insofar as possible, using Indiana businesses for employees, goods, and services. In fulfilling the goals, historical precedents in the same market must be taken into account.

Sec. 17. The capital improvement board shall repay to the additional professional sports development area fund any amount that is distributed to the capital improvement board and used for a purpose that is not described in section 15 of this chapter.

SECTION 17. IC 36-10-9-4, AS AMENDED BY P.L.182-2009(ss), SECTION 454, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The board is composed of nine (9) members. ~~Six (6)~~ **Five (5)** members shall be appointed by the executive of the consolidated city, ~~one (1) member shall be appointed by the board of commissioners of the county;~~ **two (2) members shall be appointed by the governor**, one (1) member shall be appointed by the legislative body of the consolidated city from among the members of the legislative body, and one (1) member shall be appointed jointly by majority vote of a body consisting of one (1) member of the board of county commissioners of each county in which a food and beverage tax is in effect under IC 6-9-35 on January 1 of the year of the appointment. The board of county commissioners that has the greatest population of all counties in which a food and beverage tax is in effect under IC 6-9-35 on January 1 of the year of the appointment shall convene the meeting to make the joint appointment. Each county in which a food and beverage tax is in effect under IC 6-9-35 on January 1 of the year of the appointment is entitled to be represented at the meeting by one (1) member of the county's board of county commissioner, who shall be selected by that county's board of county commissioners. One (1) of the members appointed by the executive must be engaged in the hotel or motel business in the county. Not more than four (4) of the members appointed by the executive may be affiliated with the same political party.

(b) The terms of members are for two (2) years beginning on January 15 and until a successor is appointed and qualified. A member may be reappointed after the member's term has expired.

(c) If a vacancy occurs on the board, the appointing authority shall appoint a new member. That member serves for the remainder of the vacated term.

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(d) A board member may be removed for cause by the appointing authority who appointed the member.

(e) Each member, before entering upon the duties of office, shall take and subscribe an oath of office in the usual form. The oath shall be endorsed upon the member's certificate of appointment, which shall be promptly filed with the records of the board.

(f) A member does not receive a salary, but is entitled to reimbursement for any expenses necessarily incurred in the performance of the member's duties.

SECTION 18. IC 36-10-9-6, AS AMENDED BY P.L.214-2005, SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. The board may, acting under the title "capital improvement board of managers of _____ County", do the following:

- (1) Acquire by grant, purchase, gift, devise, lease, condemnation, or otherwise, and hold, use, sell, lease, or dispose of, real and personal property and all property rights and interests necessary or convenient for the exercise of its powers under this chapter.
- (2) Construct, reconstruct, repair, remodel, enlarge, extend, or add to any capital improvement built or acquired by the board under this chapter.
- (3) Control and operate a capital improvement, including letting concessions and leasing all or part of the capital improvement.
- (4) Fix charges and establish rules governing the use of a capital improvement.
- (5) Accept gifts or contributions from individuals, corporations, limited liability companies, partnerships, associations, trusts, or political subdivisions, foundations, and funds, loans, or advances on the terms that the board considers necessary or desirable from the United States, the state, and any political subdivision or department of either, including entering into and carrying out contracts and agreements in connection with this subdivision.
- (6) Exercise within and in the name of the county the power of eminent domain under general statutes governing the exercise of the power for a public purpose.
- (7) Receive and collect money due for the use or leasing of a capital improvement and from concessions and other contracts, and expend the money for proper purposes.
- (8) Receive excise taxes, income taxes, and ad valorem property taxes and expend the money for operating expenses, payments of principal or interest of bonds or notes issued under this chapter, and for all or part of the cost of a capital improvement.

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(9) Retain the services of architects, engineers, accountants, attorneys, and consultants and hire employees upon terms and conditions established by the board, so long as any employees or members of the board authorized to receive, collect, and expend money are covered by a fidelity bond, the amount of which shall be fixed by the board. Funds may not be disbursed by an employee or member of the board without prior specific approval by the board.

(10) Provide coverage for its employees under IC 22-3 and IC 22-4.

(11) Purchase public liability and other insurance considered desirable.

(12) **Subject to section 6.5 of this chapter**, make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter, including the enforcement of them.

(13) Sue and be sued in the name and style of "capital improvement board of managers of _____ County" (including the name of the county), service of process being had by leaving a copy at the board's office.

(14) Prepare and publish descriptive material and literature relating to the facilities and advantages of a capital improvement and do all other acts that the board considers necessary to promote and publicize the capital improvement, including the convention and visitor industry, and serve the commercial, industrial, and cultural interests of Indiana and its citizens. The board may assist, cooperate, and fund governmental, public, and private agencies and groups for these purposes.

(15) Enter into leases of capital improvements and sell or lease property under IC 5-1-17 or IC 36-10-9.1.

SECTION 19. IC 36-10-9-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6.5. (a) The following definitions apply throughout this section:**

(1) "Contract" includes a lease or other agreement.

(2) "Contract limitation" refers to a bid specification, project agreement, lease provision, or other contract document that does any of the following:

(A) Requires a bidder, offeror, or contractor in any contractor tier to enter into or adhere to an agreement with a labor organization relating to a project.

(B) Prohibits a bidder, offeror, or contractor in any



contractor tier from entering into or adhering to an agreement with a labor organization relating to a project.

(C) Discriminates against a bidder, offeror, or contractor in any contractor tier for any of the following:

(i) Becoming or remaining a signatory to an agreement with a labor organization relating to a project.

(ii) Refusing to become or remain a signatory to an agreement with a labor organization relating to a project.

(iii) Adhering or refusing to adhere to an agreement with a labor organization relating to a project.

(3) "Project" refers to a project of the board for the construction or lease of a facility and all buildings, facilities, structures, and improvements related to that facility to be financed in whole or in part from funds derived from the establishment of a tax area under IC 36-7-31.5.

(4) "Public benefit" refers to a grant, a tax abatement, a tax credit, or establishment or use of tax area revenues related to a project.

(b) A contract under this chapter or another law relating to a project may not require a contractor or subcontractor to enter into a contract limitation as a condition of being awarded and performing work on the contract. Any such provision is void.

(c) A public entity may not award a public benefit that is conditioned upon a requirement that the person awarded the public benefit include a contract limitation in a contract document related to a project. Any such provision is void.

SECTION 20. IC 36-10-9.1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. The authority may also do any of the following:

(1) Finance, improve, construct, reconstruct, renovate, purchase, lease, acquire, and equip capital improvements.

(2) Lease those capital improvements to the capital improvement board.

(3) Sue, be sued, plead, and be impleaded, but all actions against the authority must be brought in the circuit or superior court of the county in which the authority is located.

(4) Condemn, appropriate, lease, rent, purchase, and hold any real or personal property needed or considered useful in connection with capital improvements.

(5) Acquire real or personal property by gift, devise, or bequest and hold, use, or dispose of that property for the purposes



authorized by this chapter.

(6) Enter upon any lots or lands for the purpose of surveying or examining them to determine the location of a capital improvement.

(7) Design, order, contract for, and construct, reconstruct, and renovate any capital improvements or improvements ~~thereof~~; **to a capital improvement.**

(8) Employ managers, superintendents, architects, engineers, attorneys, auditors, clerks, construction managers, and other employees necessary for construction of capital improvements or improvements ~~thereof~~; **to a capital improvement.**

(9) **Subject to section 11.5 of this chapter**, make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter. ~~and~~

(10) Take any other action necessary to implement its purposes as set forth in section 10 of this chapter.

SECTION 21. IC 36-10-9.1-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11.5. (a) The following definitions apply throughout this section:**

(1) **"Contract" includes a lease or other agreement.**

(2) **"Contract limitation" refers to a bid specification, project agreement, lease provision, or other contract document that does any of the following:**

(A) **Requires a bidder, offeror, or contractor in any contractor tier to enter into or adhere to an agreement with a labor organization relating to a project.**

(B) **Prohibits a bidder, offeror, or contractor in any contractor tier from entering into or adhering to an agreement with a labor organization relating to a project.**

(C) **Discriminates against a bidder, offeror, or contractor in any contractor tier for any of the following:**

(i) **Becoming or remaining a signatory to an agreement with a labor organization relating to a project.**

(ii) **Refusing to become or remain a signatory to an agreement with a labor organization relating to a project.**

(iii) **Adhering or refusing to adhere to an agreement with a labor organization relating to a project.**

(3) **"Project" refers to a project of the authority for the construction, reconstruction, or renovation of or**



improvement to any capital improvement under this chapter to be financed in whole or in part from funds derived from the establishment of a tax area under IC 36-7-31.5.

(4) "Public benefit" refers to a grant, a tax abatement, a tax credit, or establishment or use of tax area revenues related to a project.

(b) A contract relating to a project may not require a contractor or subcontractor to enter into a contract limitation as a condition of being awarded and performing work on the contract. Any such provision is void.

(c) A public entity may not award a public benefit that is conditioned upon a requirement that the person awarded the public benefit include a contract limitation in a contract document related to a project. Any such provision is void.

SECTION 22. An emergency is declared for this act.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

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