

## **IC 21-34-10**

### **Chapter 10. Bonds; Review and Approval**

#### **IC 21-34-10-1**

##### **Bonds; approval of budget committee, budget agency, and governor**

Sec. 1. (a) Bonds may not be issued by the board of trustees of a state educational institution under this article without the specific approval of the:

- (1) budget committee;
- (2) budget agency; and
- (3) governor.

(b) The budget agency may request and consider the recommendation of the staff of the Indiana finance authority with respect to the approval of a bond issue under this section.

*As added by P.L.2-2007, SEC.275.*

#### **IC 21-34-10-2**

##### **Actions of general assembly**

Sec. 2. (a) Except:

- (1) for grant anticipation notes; and
- (2) as provided in this chapter;

no bonds shall be issued for a project by the board of trustees of a state educational institution under this article unless the general assembly has taken the actions described in subsection (b).

(b) As a condition of issuing bonds, the general assembly must have:

- (1) specifically approved the project to be financed through the issuance and sale of these bonds; and
- (2) provided the amount of bonds that may be issued to fund the costs of acquiring, constructing, remodeling, renovating, furnishing, or equipping the specific project approved.

*As added by P.L.2-2007, SEC.275.*

#### **IC 21-34-10-3**

##### **Issuance of bonds; debt service reserves; bond or reserve insurance; other costs**

Sec. 3. In addition to and in connection with the amount of bonds that may be issued by a state educational institution for a specific project as provided in section 2(b)(2) of this chapter, the board of trustees of a state educational institution may also issue bonds in amounts necessary to provide funds for:

- (1) debt service reserves;
- (2) bond or reserve insurance; and
- (3) other costs;

without additional approval by the general assembly, if these costs are incidental to the issuance of bonds for the project.

*As added by P.L.2-2007, SEC.275.*

#### **IC 21-34-10-4**

### **Maximum amount of bonds**

Sec. 4. Bonds, regardless of when the amount of bonds is approved by the general assembly, may be issued in an amount not exceeding the sum of the following:

- (1) The amount of bonds approved by the general assembly.
- (2) The amounts described in section 3 of this chapter.
- (3) The amount of the discount below par value, if bonds are sold at a price below par value under IC 21-32-3-2.

*As added by P.L.2-2007, SEC.275. Amended by P.L.3-2008, SEC.140.*

### **IC 21-34-10-5**

#### **Power to issue bonds**

Sec. 5. A power granted under this chapter to issue bonds without the specific approval of the general assembly shall not be construed to permit the issuance of the bonds without the specific approvals required under section 1 of this chapter. Bonds issued without the specific approval of the general assembly are not eligible for fee replacement.

*As added by P.L.2-2007, SEC.275.*

### **IC 21-34-10-6**

#### **Issuance of bonds without approval of the general assembly; maximum amount**

Sec. 6. Bonds may be issued by the board of trustees of a state educational institution without the approval of the general assembly if, after the issuance, the total amount of outstanding bonds issued by the board of trustees of a state educational institution without approval will not exceed two million dollars (\$2,000,000). However, the bonds must be approved as provided in section 1 of this chapter.

*As added by P.L.2-2007, SEC.275.*

### **IC 21-34-10-7**

#### **Issuance of energy savings bonds; limitations; general assembly approval**

Sec. 7. (a) Bonds may be issued by the board of trustees of a state educational institution without the approval of the general assembly to finance a qualified energy savings project if annual operating savings to the state educational institution arising from the implementation of a qualified energy savings project are reasonably expected to be at least equal to annual debt service requirements on bonds issued for this purpose in each fiscal year. However, the amount of bonds outstanding for the state educational institution at any time for qualified energy savings projects, other than refunding bonds and exclusive of costs described in sections 3 and 4 of this chapter, and except as provided in subsection (c), may not exceed the greater of:

- (1) fifteen million dollars (\$15,000,000) for each campus of the state educational institution; or
- (2) the product of:

- (A) the total replacement value of all structures located on each campus of the state educational institution; multiplied by
- (B) two percent (2%).

(b) Bonds issued under this section are not eligible for fee replacement.

(c) If a particular qualified energy savings project for a state educational institution, other than Ivy Tech Community College, results in the amount of bonds outstanding at any time for all qualified energy savings projects for the state educational institution, other than refunding bonds and exclusive of costs described in sections 3 and 4 of this chapter, to exceed fifteen million dollars (\$15,000,000), the operating savings to the state educational institution arising from the implementation of that project must at least equal the original amount of bonds issued for that project in not more than ten (10) years.

*As added by P.L.2-2007, SEC.275. Amended by P.L.182-2009(ss), SEC.366; P.L.173-2011, SEC.11; P.L.143-2014, SEC.11.*

#### **IC 21-34-10-8**

##### **Issuance of bonds without approval of the general assembly for deferred expenditures**

Sec. 8. Bonds may be issued by the board of trustees of Purdue University without the approval of the general assembly for deferred expenditures, as determined under accounting principles approved by the state board of accounts, to:

- (1) repair, rehabilitate, remodel, renovate, or reconstruct existing facilities or buildings;
- (2) improve or replace utilities or fixed equipment; or
- (3) perform related site improvement work.

However, the total amount of bonds issued for Purdue University under this section without the approval of the general assembly, other than refunding bonds and exclusive of costs described in sections 3 and 4 of this chapter, may not exceed sixty million dollars (\$60,000,000).

*As added by P.L.2-2007, SEC.275.*