

IC 8-21-11

Chapter 11. Airport Development Program

IC 8-21-11-1

"Airport" defined

Sec. 1. Notwithstanding IC 8-21-1-1, as used in this chapter, "airport" means a public use airport (as defined in 49 U.S.C. 47102).
As added by P.L.34-1990, SEC.2. Amended by P.L.1-1999, SEC.22.

IC 8-21-11-2

"Grant fund" defined

Sec. 2. As used in this chapter, "grant fund" refers to the airport development grant fund.
As added by P.L.34-1990, SEC.2.

IC 8-21-11-3

"Loan fund" defined

Sec. 3. As used in this chapter, "loan fund" refers to the airport development revolving loan fund.
As added by P.L.34-1990, SEC.2.

IC 8-21-11-4

Grant fund; revolving loan fund; administration

Sec. 4. (a) The airport development grant fund and the airport development revolving loan fund are established for the purposes of this chapter. The department shall administer the two (2) funds.

(b) The department shall pay the expenses of administering the funds.

(c) The treasurer of state shall invest the money in each fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund that earns the interest.

(d) Money in a fund at the end of a state fiscal year does not revert to the state general fund.

As added by P.L.34-1990, SEC.2.

IC 8-21-11-5

Program to foster airport development; components; rules

Sec. 5. (a) The department shall adopt rules under IC 4-22-2 to establish a program to foster airport development in Indiana with special emphasis on improvement of airports as an economic development tool. The program must include the following components:

(1) State grants to airports from the grant fund to match federal Aviation Trust Fund grants.

(2) State grants to airports from the grant fund for airport development projects for which federal grants are not available.

(3) Loans to airports from the loan fund for airport development projects.

(b) The rules must establish the following for both grants and loans:

(1) Standards of eligibility.

(2) The maximum amount of money for which any one (1) airport or airport development project is eligible.

(3) Application procedures.

(4) The local matching funds that are required.

(5) Other provisions to administer the grant and loan programs.

As added by P.L.34-1990, SEC.2.

IC 8-21-11-6

Eligibility for grant or loan

Sec. 6. The following may apply to the department for a grant or a loan for an airport development project:

(1) An eligible entity that has established a board of aviation commissioners under IC 8-22-2.

(2) An airport authority established under IC 8-22-3.

(3) A public airport established under IC 21-31-7.

(4) Any airport that is eligible for an exemption under IC 6-1.1-10-15.

As added by P.L.34-1990, SEC.2. Amended by P.L.114-1995, SEC.1; P.L.2-2007, SEC.138.

IC 8-21-11-7

Allocation of grant funds

Sec. 7. (a) The department shall determine the allocation of grant funds among eligible applicants. However, the total amount of grants under this chapter may not exceed the balance in the grant fund.

(b) The budget agency shall certify to the department, the auditor of state, and the treasurer of state that funds are available for a specific grant under subsection (a). Upon receipt of the certification from the budget agency, the funds shall be transmitted to the grant recipient.

As added by P.L.34-1990, SEC.2.

IC 8-21-11-8

Allocation of loan funds; maximum amount

Sec. 8. (a) The department shall determine the allocation of loan funds among eligible applicants. However, the total amount of loans under this chapter may not exceed the balance in the loan fund.

(b) An application for a loan must comply with the following:

(1) Be accompanied by a request for the loan in the form of a resolution adopted by the applicant's fiscal body in the case of an eligible entity or the applicant's governing board in the case of an airport authority.

(2) Be accompanied by a plan for repayment that is determined

by the department to be an adequate plan.

(3) Meet all requirements for a grant from the fund, but not be the recipient of such a grant.

(4) Meet all requirements that the department establishes.

As added by P.L.34-1990, SEC.2.

IC 8-21-11-9

Terms of loans

Sec. 9. The department shall determine the terms of each loan, which must include the following:

(1) The duration of the loan, which may not exceed twelve (12) years.

(2) The repayment schedule of the loan, which must provide that no payments are due during the first two (2) years of the loan.

(3) A variable rate of interest to be determined by the department and adjusted annually. The interest rate must be the greater of:

(A) five percent (5%); or

(B) two-thirds (2/3) of the interest rate for fifty-two (52) week United States Treasury bills on the anniversary date of the loan, but not to exceed ten percent (10%).

(4) The amount of the loan.

(5) Any other conditions specified by the department.

As added by P.L.34-1990, SEC.2.

IC 8-21-11-10

Repayment of loans; source

Sec. 10. As set forth in IC 5-1-14, an applicant may use any source of revenue to repay a loan under this chapter. This section constitutes complete authority for an applicant to borrow from the loan fund.

As added by P.L.34-1990, SEC.2.

IC 8-21-11-11

Default on loan repayments; withholding of state funds payable to recipient

Sec. 11. If a loan recipient fails to make any repayments of a loan, the auditor of state shall withhold the repayment amount from any other money payable by the state to the recipient. The amount withheld shall be transferred to the loan fund to the credit of the recipient.

As added by P.L.34-1990, SEC.2.

IC 8-21-11-12

Deposit of repayments

Sec. 12. The department shall deposit repayments of principal and interest on loans in the loan fund to increase the amount that is

available for new loans.
As added by P.L.34-1990, SEC.2.