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## CH28 28 .1 - Motor Vehicle Highway Restricted Fund Creation

An Ordinance of the Town of Lapel, Indiana creating a sub-fund within the Town of Lapel's Motor Vehicle Highway Fund entitled Motor Vehicle Highway – Restricted (203)

WHEREAS, Indiana Code [8-14-1.5](#) sets forth the permissible uses for Motor Vehicle Highway (“MVH”) funds that cities and towns receive from the State Motor Vehicle Highway Account; and,

WHEREAS, Indiana Code [8-14-1-5](#) was recently amended to require at least fifty percent (50%) of all MVH distributions received after January 1<sup>st</sup>, 2019 be spent on construction, reconstruction and preservation of highways as set forth in Indiana Code [8-14-1-5\(c\)](#); and,

WHEREAS, the Indiana State Board of Accounts has issued State Examiner Directive 2018-2 (“Directive 2018-2”), wherein municipalities are authorized and required to establish a sub-fund within their existing Motor Vehicle Fund to properly manage and account for the usage restrictions in accordance with Indiana Code [8-14-1-5](#).

NOW, THEREFORE, BE IT ORDAINED, by the Town Council of the Town of Lapel, Madison County, Indiana, that:

1. A sub-fund is hereby created within the Town of Lapel's Motor Vehicle Highways Fund entitled “Motor Vehicle Highway – Restricted (203)” (“MVH Restricted”)
2. Allocations to and expenditures from MVH Restricted will be in accordance with Indiana Code 8-14-1-5.
3. If the Town of Lapel elects to allocate more than fifty percent (50%) of the distributions it receives to MVH Restricted, the Lapel Town Council will pass an ordinance or resolution authorizing such additional allocations as set forth in Directive 2018-2.

Passed January 2019

[Further Information](#)

**1-2019**

**Date Passed: 1/1/2019**