



Indiana Association *of*
Cities and Towns

2016 Statehouse Report

2016 Statehouse Report

Road and Street Funding Discussion Takes Center Stage

For years now, local government stakeholders and other interest groups that are concerned about the quality of Indiana's roads, streets and highways have been pleading with the legislature to address the problems with our failing infrastructure. Finally, our collective message is beginning to resonate. This session, the discussion of the need to focus on road and street funding came to the forefront. Legislators took some beginning steps to help local governments' road and street funding needs, but we are still hopeful for longer term solutions to the problems.

In HEA 1001, legislators approved a measure to transfer revenue from the state reserves and the sales tax on gasoline to fund a matching grant program for local government road and street improvements. In 2017, \$185 million has been pledged to the grant program and it will be run by the Indiana Department of Transportation (INDOT). Grants will be awarded to eligible local governments that complete a road and street "asset management plan." The Indiana Local Technical Assistance Program (LTAP) based at Purdue was awarded \$500,000 to assist locals with the development of their asset management plans. In addition, HEA 1001 allows locals to double their countywide excise surtax and wheel tax and municipalities over 10,000 in population were given the authority to adopt their own municipal excise surtax/wheel tax. Also, under SEA 67, beginning in June, most local units will receive a distribution of their local income tax money that they weren't expecting to receive. It is usual practice that a cushion of local income tax money is held by the state in order to guard against the ups and downs of the economy. This cushion of locals' money is being released one time, although, the legislature has specified the allowable uses of the money – for road and street funding or for the rainy day fund.

While the road funding discussion dominated the session, IACT also saw success with several bills that we initiated. HEA 1298, a clean-up annexation bill passed. This legislation was to fix problems that resulted from last year's comprehensive annexation reform bill, SEA 330-2015. In addition, SEA 308 contained another IACT initiative to allow fast growing communities to increase their levies to provide necessary municipal services. While the language passed in SEA 308 helps a few communities, we are hopeful that more discussion will take place on this topic as the bill also recommends further study of the issue during the interim. IACT also initiated changes to HEA 1081, a clean-up bill to the local option income tax reform bill that passed last year, HEA 1485-2015. We saw problems with the new local option income tax scheme in that local units with outstanding debt payable by a local option income tax may not have been able to rely on the continuation of their revenue stream. IACT worked on language to address this problem in HEA 1081.

IACT worked on HEA 1019 which addresses the public records aspect of storing and maintaining police body camera video. Law enforcement body cameras are becoming highly popular in many municipal police forces and with any new technology, laws have to adapt accordingly. Also in the public safety realm is the ongoing problem with the making of methamphetamine. Under SEA 80 and other related bills, buying pseudoephedrine, the main ingredient in meth, will be monitored more closely and pharmacists will have greater discretion to deny a purchase.

Finally, another big change during the session was a victory for farmers although a loss to local governments. SEA 308, mentioned earlier, contained language to change the property tax

assessment formula for farmland. This change will result in a \$23.3 million loss in revenue to local units by 2019 and homeowners will be the hardest hit with the shift in taxes.

The 2016 Statehouse Report contains a listing of the enrolled acts that we feel are most important to municipalities. The provisions in the act will become law on their stated effective dates. Many are effective July 1, 2016, but some may be retroactive or have effective dates that are further in the future. To view the legislation containing the effective dates, type in the bill number on the General Assembly's webpage, www.iga.in.gov and click on the *latest version* button. If you have questions about legislation and you need IACT's help, you can reach a member of the IACT legislative team by calling (317) 237-6200.

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Administration

Publication of Notice by Political Subdivisions (HEA 1017, P.L. 147)

Author: Jerry Torr, R-Carmel

Sponsor: James Merritt, R-Indianapolis

- Provides that in certain circumstances, a political subdivision (other than a county) may publish notice in a locality newspaper that circulates in the political subdivision instead of in a newspaper that is published in the county and circulates in the political subdivision.
- Establishes requirements for locality newspapers that may publish notice.

Alternate Rezoning Procedure (HEA 1025, P.L. 192)

Author: Doug Miller, R-Elkhart

Sponsor: Carlin Yoder, R-Middlebury

IACT Comments: IACT membership was divided on several aspects of this bill so our legislative team worked with Representative Miller on specific issues within the bill where our members were in agreement. While some units may see this language as a benefit to increase the timeliness of passing amendments to zoning maps, some saw this as an attempt to circumvent the legislative body of the municipality. The new alternate procedure created by this bill is optional for a local plan commission so we strongly encourage all units to examine it closely before they implement this new procedure moving forward. Attorneys engaged in the discussion of this bill have several concerns about this creating additional litigation which will actually lengthen the ability to implement zoning amendments.

- Creates an optional alternate procedure to apply to rezoning proposals that provides the following: (1) If the plan commission makes a favorable recommendation, the rezoning proposal becomes effective unless an aggrieved person or the legislative body notifies the plan commission by a specified date. (2) If the plan commission makes an unfavorable recommendation or no recommendation, the rezoning proposal is defeated unless an aggrieved person or the legislative body notifies the plan commission by a specified date. (3) If the plan commission is notified by an aggrieved person or the legislative body by a specified date, the legislative body shall consider and make the final determination on the rezoning proposal.
- Reconciles a conflict in a statute concerning rezonings within an excluded city.

Code Revision Corrections (HEA 1035, P.L. 60)

Author: Tom Washburne, R-Inglefield

Sponsor: R. Michael Young, R-Indianapolis

- Resolves substantive problems in the Indiana Code.
- Resolves various nontechnical conflicts and problems not suitable for resolution in the annual technical corrections bill, including: (1) a statute that has been both added and repealed; (2) ambiguous language; (3) incorrect references; and (4) results that must not have been intended. (The introduced version of this bill was prepared by the code revision commission.)

Technical Corrections (HEA 1036, P.L. 149)

Author: Tom Washburne, R-Inglefield

Sponsor: R. Michael Young, R-Indianapolis

- Resolves technical problems in the Indiana Code, including incorrect statutory references, nonstandard tabulation, and various grammatical problems.
- Provides that the technical corrections bill may be referred to as the "technical corrections bill of the 2016 general assembly".
- Specifies that the title may be used in the lead-in line of each SECTION of another bill to identify the provisions added, amended, or repealed by the technical corrections bill that are also amended or repealed in another bill being considered during the 2016 legislative session.
- Provides the publisher of the Indiana Code with guidance concerning resolution of amend/repeal conflicts between the technical corrections bill and other bills passed during the 2016 legislative session.
- Specifies that if there is a conflict between a provision in the technical corrections bill and a provision being repealed in another bill, the other bill's repealer is law. (The introduced version of this bill was prepared by the code revision commission.)

Regulation of Packaging Materials (HEA 1053, P.L. 150)

Author: Ron Bacon, R-Chandler

Sponsor: Brent Steele, R-Bedford

IACT Comments: HEA 1053 prohibits local governments from passing ordinances that regulate plastic bags. This is clearly contrary to the principle of home rule, and IACT lobbied committee members in both the House and the Senate against the bill. Although we were only one vote shy of killing it in the Senate Commerce and Technology Committee, it went on to pass by large margins on the floor of both Houses. Anti-home rule legislation like this is a nationwide trend, promoted by organizations like the American Legislative Exchange Council. This particular bill also enjoyed the support of many powerful groups, including the State Chamber of Commerce and the Indiana Manufacturers Association.

- Amends the home rule statute to prohibit a local government unit from: (1) regulating: (A) certain activities with respect to reusable or disposable auxiliary containers designed for one time use or for transporting merchandise or food from food or retail facilities (auxiliary containers); or (B) a manufacturer of, a distributor of, or a food or retail facility that sells, provides, or otherwise makes use of, auxiliary containers, in connection with certain activities involving auxiliary containers; or (2) imposing any prohibition, restriction, fee, or tax with respect to auxiliary containers or to a manufacturer of, a distributor of, or a food or retail facility that sells, provides, or otherwise makes use of, auxiliary containers, in connection with certain activities involving auxiliary containers.
- Specifies that the prohibitions do not apply to: (1) curbside recycling programs or residential or commercial recycling locations in a unit; or (2) certain activities involving auxiliary containers at any event that: (A) is organized, sponsored, or permitted by a local government unit; and (B) takes place on property owned by the unit.
- Makes cross-references to: (1) these prohibitions concerning the regulation of auxiliary containers; and (2) an existing prohibition included in the home rule statute and concerning housing programs; in the section of the home rule statute that sets forth various limits on the powers of local government units.

Death Certificates (HEA 1088, P.L. 67)

Author: Ron Bacon, R-Chandler

Sponsor: Vaneta Becker, R-Evansville

- Provides that in circumstances where a person dies or is declared dead in the emergency department and the emergency department physician is the physician last in attendance and is uncertain as to the cause and manner of death, the case may be referred to a coroner for investigation.
- Specifies the person who is responsible for referring the cases that are caused by other than natural causes and the emergency department cases that are uncertain as to the cause and manner of death to the coroner.

Veteran Service Officers (HEA 1089, P.L. 108)

Author: Randy Frye, R-Greensburg

Sponsor: Jim Banks, R-Columbia City

- Requires the Indiana veterans' affairs commission to submit an annual report to the governor and the legislative council on matters concerning the welfare of veterans.
- Allows the mayor of a city to employ a service officer to serve the veterans of the city. Includes a county service officer appointed by the governor in the membership of the Indiana veterans' affairs commission.

- Urges the legislative council to assign to a study committee the topic of district service officers.
- Provides that the study committee shall issue a final report to the legislative council containing the study committee's findings and recommendations not later than November 1, 2016

School Funding and Annual Performance Grants (HEA 1109, P.L. 151)

Author: Todd Huston, R-Fishers

Sponsor: Ryan Mishler, R-Bremen

- Extends through 2018 the eligibility of school corporations to allocate circuit breaker credits proportionately.
- Provides, with some exceptions, that if: (1) a school corporation in 2017 or 2018 issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy; and (2) the school corporation's total debt service levy in 2017 or 2018 is greater than the school corporation's debt service levy in 2016; the school corporation is not eligible to allocate circuit breaker credits proportionally.
- Extends the date to January 1, 2018, for using money in a school's capital projects fund for utility services and property and casualty insurance.
- Changes the submission date for a school corporation's fall average daily membership (ADM) estimates to April 1 of each year.
- Specifies, for a school corporation that fails to submit its ADM estimates by the deadline that the department is to compute the monthly support distributions using data that were used by the general assembly in determining the state tuition support appropriation for the budget act.
- Amends certain annual performance grant provisions that set forth the:(1) qualification requirements; and (2) grant amount; for annual performance grants.
- Requires review by the budget committee before the distribution of an annual performance grant to schools.
- Provides that the department of education (department), after review by the budget committee, may waive the deadline by which annual performance grants must be distributed to schools and approve an extension of that deadline to a later date within the state fiscal year.
- Repeals certain deadlines for a school to distribute the stipends from a performance grant received from the department to individual teachers.
- Provides that a school must distribute all stipends from a performance grant to individual teachers within 20 business days of the date the department distributes the performance grant to the school. (Under current law, a school must distribute stipends from a performance grant within 20 business days of receipt only in the state fiscal year beginning July 1, 2015, and ending June 30, 2016.)
- Provides that the appropriation of \$2,000,000 in the state budget for excellence in performance grants does not revert to the state general fund on June 30, 2016, but remains

available for allotment if the state board of education approves the grants before July 1, 2016.

Insurance Matters (HEA 1136, P.L. 72)

Author: Matthew Lehman, R-Berne

Sponsor: Travis Holdman, R-Markle

- Requires gaming facilities to pay to the state a special worker's compensation fee and removes a requirement for gaming facilities to reimburse the state for certain worker's compensation expenses.
- Amends the application of the annual audited financial report law to domestic insurers.
- Specifies that an insurer is not prevented from making available a named driver exclusion in a commercial motor vehicle policy.
- Provides for suspension of a nonresident insurance producer license and a nonresident public adjuster license if the home state license is not effective in good standing.
- Specifies certain requirements for a domestic insurer that is part of an insurance holding company system, including requirements related to financial disclosures and activities.
- Defines and specifies requirements for supervision of an internationally active insurance group, including determination of a supervising regulatory official.
- Specifies penalties for violations of the insurance holding company system law.
- Requires certain information to be provided to and submitted to a data base by a closing agent within a certain period following a real estate or mortgage transaction.
- Amends the definition of "good funds" for purposes of the law concerning escrow disbursements by closing agents in real estate transactions.
- Defines "small employer" for purposes of health insurance plans that are not grandfathered under federal law.
- Requires health coverage independent review organizations to provide notice of an expedited determination within 72 hours after the grievance or review is filed, rather than 24 hours after the determination is made.
- Provides for the property and casualty insurance guaranty association to obtain reimbursement for certain payments in connection with large deductible worker's compensation policies.
- Allows the commissioner, in insurer supervision proceedings, to pursue insurance proceeds for certain acts or omissions of officers and directors of the supervised insurer.
- Urges the legislative council to assign to an interim study committee a subject concerning bond related to public private agreements.
- Makes conforming amendments.

Local Airport Authorities (HEA 1154, P.L. 154)

Author: Mike Braun, R-Jasper

Sponsor: Ryan Mishler, R-Bremen

- Provides that a member of a governing body of an airport authority or a department of aviation governing body may participate in a board meeting by electronic communication.
- Defines "commercial aeronautics" for purposes of serving on a governing body.
- Provides that a member may not have a pecuniary (rather than a personal) interest in a contract with or claim against the governing body.

Local Government Matters (HEA 1294, P.L. 205)

Author: Stephen Judy, R-Columbia City

Sponsor: Randy Head, R-Logansport

- Provides that in the case of the construction, remodeling, redevelopment, rehabilitation, or repair of real property that is: (1) paid for by a private person using public funds; and (2) owned by a private person after completion of the project; the county assessor must reassess the property by carrying out a physical inspection.
- Provides that in the case of a city park board, the appointee by the school board may be either a member of the school board or a resident of the school corporation. (Under current law, such an appointee must be a member of the school board.)

Annexation (HEA 1298, P.L. 206)

Author: Sharon Negele, R-Attica

Sponsor: Rodric Bray, R-Martinsville

IACT Comments: HEA 1298 was an IACT initiated bill to make clean-up changes to last year's comprehensive annexation reform bill, SEA 330-2015. While there are still many changes that IACT would like to see to the annexation statute, the changes in this bill were ones that were agreeable amongst all stakeholders – IACT, the Association of Indiana Counties, and the Indiana Farm Bureau.

- Changes contiguity requirements so that property adjacent to only one side of the public highway (instead of both sides) must be: (1) within the annexing municipality's boundaries; or (2) annexed by the same ordinance that annexes the public highway.
- Reduces the number of required public information meetings from six meetings to three meetings if the annexation is initiated by the landowners.
- Specifies that a landowner whose property is subject to a valid waiver of remonstrance may not file a remonstrance to the annexation.
- Establishes deadlines for: (1) the county auditor to forward remonstrance petitions to the annexing municipality; and (2) the annexing municipality to forward documentation regarding valid waivers of the right of remonstrance to the county auditor.

- Requires a fiscal plan prepared after June 30, 2016, to include in the information provided for each parcel in the annexation territory, the existence of a known waiver of the right to remonstrate on the parcel.
- Allows municipalities in Kosciusko County to annex noncontiguous territory that is to be used as an industrial park. Makes a technical amendment.
- Resolves a conflict with a provision in ESB 310-2016.

Unemployment Insurance (HEA 1344, P.L. 171)

Author: Dan Leonard, R-Huntington

Sponsor: Phil Boots, R-Crawfordsville

- Abolishes the Indiana unemployment compensation board and transfers the board's duties to the department of workforce development (department).
- Revises the circumstances under which the department may waive work search requirements for an individual receiving benefits.
- Provides that, after an individual begins receiving benefits, the individual must visit and receive an orientation to the services available through a one stop center in order to maintain eligibility to receive benefits.
- Allows the department to waive the orientation requirement under certain circumstances.
- Requires the department to submit a report to the general assembly and the governor before December 1 of each year concerning the status of the unemployment compensation system.
- Requires the department to make a presentation at each meeting of the budget committee held before November 1, 2016, concerning this same information.
- Limits the amount of money from the special employment and training services fund (fund) that can be used by the department for certain purposes to not more than \$5,000,000 per state fiscal year, unless the budget committee approves an additional amount.
- Provides that grants from the fund to various state educational institutions for apprenticeship programs and training and counseling assistance: (1) are the first expenditures from the fund each state fiscal year; and (2) are contingent only on the availability of money and do not require approval by the department.
- Urges the legislative council to assign to the interim study committee on employment and labor or another appropriate interim study committee during the 2016 legislative interim the topic of establishing a committee or board to oversee the unemployment insurance trust fund and the fund.
- Makes conforming and technical amendments.

President Benjamin Harrison Conservation Trust (HEA 1353, P.L. 172)

Author: Mike Karickhoff, R-Kokomo

Sponsor: Michael Crider, R-Greenfield

- Renames the Indiana heritage trust fund as the President Benjamin Harrison conservation trust fund (trust fund).
- Makes various changes to the purposes of the trust fund.
- Makes changes to the uses of the accounts within the trust fund. Repeals the Indiana heritage trust committee.
- Specifies the membership and purposes of the President Benjamin Harrison conservation trust project committee (project committee).
- Provides for the appointment of four members of the general assembly as nonvoting members of the project committee.
- Adds the chairperson of the board of directors of the natural resources foundation to the project committee.
- Provides that the governor appoints the chair and vice chair of the project committee. Specifies that money in the trust fund may be used for a state or local project approved by the project committee.
- Specifies that the following procedure must be followed before the money from the trust fund may be used to acquire property for a project: (1) The project committee must review and approve the project. (2) The project committee must recommend the project to the governor for approval. (3) The governor must approve the project as recommended by the project committee and inform the director of the department of natural resources.
- Increases the amount of money that must be allotted to the stewardship account within the trust fund from 5% to 9% of the amount appropriated to the trust fund.
- Repeals a provision specifying minimum amounts of required matching funds for expenditures from the trust fund discretionary account.
- Provides that money from the discretionary account may not be used to acquire property for an approved project unless the approved project receives endorsement and participation from: (1) the appropriate division of the department; and (2) nonstate sources or the Indiana natural resources foundation.
- Limits the amount of money from the discretionary account that may be used to acquire property. Repeals the law establishing the fish and wildlife land acquisition stamp.
- Urges the legislative council to assign certain topics to an interim study committee.

Public Personnel Bonds and State Board of Accounts (HEA 1372, P.L. 188)

Author: Matthew Lehman, R-Berne

Sponsor: Ed Charbonneau, R-Valparaiso

IACT Comments: The State Board of Accounts and the Attorney General’s office worked on HEA 1372 in an attempt to provide additional protections for municipalities that have been the victim of fraud as well as providing additional flexibility to local officials who are required to acquire bond coverage prior to taking office. IACT also worked with State Board of Accounts on the reduction of the 45 days for the final exit interview. The change in this requirement may be seen as a positive or negative for a municipality so IACT remained neutral.

- Amends the law requiring surety bonds for certain individuals having public fiscal responsibilities to: (1) define "contractor"; (2) allow for filing of the bond in the county of office or employment rather than residence; (3) set threshold amounts of public funds for which a bond is required; (4) permit the use of a schedule bond; (5) permit the use of a continuous bond; and (6) require a crime insurance policy that meets the requirement to include a faithful performance endorsement.
- Allows, rather than requires, the commissioner of insurance to prescribe the form of public official surety bonds and crime insurance policies.
- Provides that any claim under a continuous bond must be brought not later than six years after the occurrence giving rise to the claim.
- Specifies the following: (1) That the maximum aggregate liability of the surety or insurer for a policy year is the penal sum of the bond. (2) That in the case of a continuous bond, the maximum aggregate liability of the surety or insurer for the entire term that the bond is in effect is the penal sum of the bond for the current term of the bond and the penal sums of the bond for the five immediately preceding years.
- Allows, in certain circumstances, the state examiner to issue an examination final report less than 45 days after an initial exit conference.
- Allows certain individuals who receive state board of accounts records to divulge the records in an action with respect to the misappropriation or diversion of public funds.
- Removes requirements for annual audits by the state examiner of certain funds and allows the audits to be performed according to the state examiner's schedule.
- Makes conforming amendments.

Workforce Policies (SEA 20, P.L. 120)

Author: Phil Boots, R-Crawfordsville

Sponsor: Tim Harman, R-Fort Wayne

- Provides that a local governmental unit may not establish, mandate, or otherwise require an employer to provide to an employee who is employed within the jurisdiction of the unit a scheduling policy that exceeds the requirements of federal or state law, rules, or regulations, unless federal or state law provides otherwise.
- Provides that an attorney who represents an employer, an employing unit, or a claimant in a claim for unemployment benefits (benefits) pending before an administrative law judge, the review board, or another individual who adjudicates claims must be: (1) an attorney in good standing admitted to the practice of law in Indiana; or (2) an attorney in good standing admitted to the practice of law in another state who has been granted temporary admission to the state bar under the Rules for Admission to the Bar and the Discipline of Attorneys adopted by the supreme court.
- Specifies the persons that may represent an employer or employing unit, or a claimant, having an interest in a pending claim for benefits.
- Provides that a claimant may also designate a lay person of the claimant's choice to assist the claimant in the presentation of the claimant's case.

- Directs the department of workforce development to update its rules concerning representation of parties involved in claims for benefits.
- Urges the legislative council to assign to the interim study committee on employment and labor or another appropriate interim study committee during the 2016 legislative interim the topics of employee misclassification, payroll fraud, and the use of independent contractor status.

Technical Corrections (SEA 23, P.L. 122)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Douglas Gutwein, R-Francesville

- Repeals conflicting provisions contained in HEA 1019-2015 (Common construction wage and public works) concerning applicability of the requirements in HEA 1019-2015. The provisions that would be repealed were added by HEA 1019-2015 and repealed by SEA 441-2015 during the 2015 legislative session.
- Clarifies that the principal amount of money contributed by an employer to a medical care savings account (MSA) for which no state or federal tax exemption for the employee applies may be withdrawn from the MSA account for any purpose without the employee incurring taxable income based on the principal contribution.
- Provides a resolution to the conflicts in IC 4-35-7-12 that were caused by four laws enacted during the 2015 Legislative Session.
- Specifies the following resolution for the two conflicts that were substantive in nature (HEA 1540-2015 and HEA 1001-2015): (1) That the term "slot machine" wagering is stricken in favor of "gambling game" wagering (the HEA 1540-2015 version). (2) That \$150,000 is to be annually deposited into the gaming integrity fund to pay the cost of taking and analyzing equine specimens instead of being distributed to the horse racing industry (the HEA 1001-2015 version).
- Incorporates the changes that became law that were not in substantive conflict.
- Corrects a reference in the definition of corporate adjusted gross income to incorporate a change made in SEA 441-2015 that changed the term directly related intangible interest expenses to be directly related interest expenses.
- Makes technical corrections and conforming changes to SEA 441-2015. (The introduced version of this bill was prepared by the code revision commission.)

Voting Matters (SEA 61, P.L. 21)

Author: Greg Walker, R-Columbus

Sponsor: Kathy Richardson, R-Noblesville

IACT Comments: Following the 2015 municipal election there was a concern brought forward that the current system for straight party voting on at-large positions at the City, Town, County and Township level are not being calculated correctly. For example, if a voter cast a straight party

ticket but then marks a vote for an at-large councilmember of the opposite party, state law required all of the other at-large councilmember votes be removed. This was due to the tabulating system not knowing the voter's intent of which at-large councilmember the voter no longer wanted to vote for. While the new method is not ideal it will prevent votes cast for an at-large office from being disenfranchised.

- Provides that when a voter casts a straight party ticket in a general or municipal election, the voter is casting a ballot for all candidates of that party whose names appear on the ballot, except candidates for offices in a county or municipality for which more than one individual can be elected (county council member at large; city common council member at large; town council member at large; township board member at large).
- Groups such offices together on the general election ballot, and requires a voter to cast an individual vote for each candidate for such offices for whom the voter wishes to vote.
- Revises ballot instructions to reflect the change in voting procedures.
- Provides that a county election board may require general instructions to voters that are required to be printed at the front of a ballot may instead be posted in each voting booth.
- Repeals superseded language related to split-ticket votes for declared write-in candidates.
- Specifies how voting systems required to make alterations to system firmware or software as a result of this amended procedure are to be tested and certified by the Indiana election commission for use in elections conducted after July 1, 2016.
- Updates references to incorporate amendments to the Voluntary Voting System Guidelines.
- Permits counties to continue to use certain voting systems whose certifications have expired if the voting system: (1) was approved by the Indiana election commission before October 1, 2017; (2) was acquired by the county before October 1, 2017; and (3) otherwise complies with Indiana election law and the federal Help America Vote Act.
- Makes technical corrections.

Multiple County PTABOAs (SEA 87, P.L. 207)

Author: Luke Kenley, R-Noblesville

Sponsor: John Price, R-Greenwood

- Provides that the legislative bodies of two or more counties may adopt substantially similar ordinances to establish a multiple county property tax assessment board of appeals (PTABOA).
- Provides that a multiple county PTABOA must consist of either of the following number of members: (1) Three members, not more than two of whom may be from the same political party. (2) Five members, not more than three of whom may be from the same political party.
- Provides that the fiscal bodies of the counties that establish a multiple county PTABOA must adopt substantially similar ordinances to appoint the members of the multiple county PTABOA.

- Provides that the compensation of members of a multiple county PTABOA shall be determined jointly by the fiscal bodies of the participating counties.
- Requires the assessor's office for the county with the greatest population in a multiple county PTABOA to provide administrative support to the board.
- Makes conforming amendments.

Political Subdivision Information on the Internet (SEA 126, P.L. 208)

Author: Pete Miller, R-Brownsburg

Sponsor: Dennis Zent, R-Angola

- Requires local governments and school corporations to provide information for posting on the Indiana transparency Internet web site (transparency web site) as follows: (1) Expenditures categorized by personal services, other operating expenses or total operating expenses, and debt service, including lease payments, related to debt. (2) A listing of fund balances, specifically identifying balances in funds that are being used for accumulation of money for future capital needs.
- Requires the department of local government finance (department) after July 31, 2017, to publish an annual financial and operational summary of each political subdivision on the transparency web site.
- Requires a political subdivision that has a public Internet web site to publish a link to the transparency web site.
- Requires the department to determine the summary's form, content, and publishing dates.
- Provides that the department of education determines the educational performance information to be included in the summary published by a school corporation.
- Allows a county or city hospital to withhold from disclosure the individual salaries of hospital employees.
- Urges the legislative council to assign to the interim committee on energy, utilities, and telecommunications, during the 2016 legislative interim, the topic of expanding the availability of open data in Indiana.

Regulation of Private Clubs (SEA 172, P.L. 132)

Author: Vaneta Becker, R-Evansville

Sponsor: Wendy McNamara, Mount Vernon

- Allows the holder of a club permit to designate one or more days in each calendar month as guest days, not to exceed a total of four guest days in any calendar month (instead of one day each week).

Appraisal and Real Estate Brokers (SEA 300, P.L.45)

Author: Phil Boots, R-Crawfordsville

Sponsor: Kevin Mahan, R-Hartford City

- Removes the requirement that property sold at sheriff's sale be appraised.
- Adds to the existing list of acts that are exempt from the statute governing the licensure of real estate brokers the performance of an evaluation of real property by a financial institution in connection with a transaction for which the financial institution would not be required to use the services of a state licensed appraiser under regulations adopted under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Construction Permits and Regulation (SEA 324, P.L.49)

Author: Mark Messmer, R-Jasper

Sponsor: Heath VanNatter, R-Kokomo

IACT Comments: Under SEA 324, the Fire Prevention and Building Safety Commission may certify a municipality as qualified to issue design releases for construction of Class 1 structures. Only the entity that performs the initial review for design release (either the certified municipality or the state) may charge a fee for the review. At one point, however, some language was added that would have prevented local units from charging fees for *all* plan reviews and other permits (like building, improvement, or fire protection system permits). This was not the intent of the bill's author and we were successful in fixing that language. Therefore, the final version of SEA 324 does not impact a municipality's ability to charge fees for plan reviews for any other permits.

- Provides deadlines for the Indiana State Department of Health (ISDH) to issue construction permits and conduct plan reviews for certain projects.
- Requires the ISDH to issue a construction permit without further review if the ISDH fails to provide notice or a complete plan review within the time required by statute.
- Allows a person to apply for a construction permit from the ISDH and a design release from the Division of Fire and Building Safety by submitting a single application to the Division.
- Limits subsequent reviews by the state of construction permits to revisions and required corrections.
- Allows the Fire Prevention and Building Safety Commission to certify a municipality or a county as qualified to issue design releases for construction of Class 1 Structures.
- Provides that only the entity that performs the initial review for design release may charge a fee for the design release.
- Requires the Fire Protection and Building Safety Commission to adopt policies and rules to promote preservation and use of downtown commercial buildings located within designated historic districts.

Transparency Portal (SEA 327, P.L.142)

Author: Bassler, R-Washington

Sponsor: Price, R-Greenwood

IACT Comments: SEA 327 requires political subdivisions to upload to the Transparency Portal any contract with an amount payable for the year that exceeds 10% of the unit's property tax levy or \$50,000, whichever is less. One situation it may be important to consider in determining whether a contract must be uploaded is in the case of a contract that contains an hourly rate. If the contract is silent on the total amount an hourly rate may be paid for the year, then it probably should be uploaded if there is any possibility the total amount for the year would exceed \$50,000 or 10% of the unit's property tax levy. If, however, the contract states that the hourly rate may be paid up to a total amount of \$49,999.99 for the year, it would not have to be uploaded (unless a lesser amount would still be more than 10% of the unit's property tax levy).

- Requires a political subdivision to upload certain contracts to the Indiana transparency Internet web site during each year that the contract amount payable by the political subdivision for the year exceeds the lesser of: (1) 10% of the political subdivision's property tax levy; or (2) \$50,000.
- Requires eligible contracts to be uploaded no later than 60 days after the contract is executed.
- Provides that political subdivisions are not prohibited from withholding any information in the contract that they may withhold under the Indiana Access to Public Records Act.

Tax Sales and Tax Sale Properties (SEA 355, P.L.187)

Author: Rick Niemeyer, R-Lowell

Sponsor: Hal Slager, R-Schererville

- Provides that certain notices of tax sales may omit the descriptions of the properties to be offered for sale if: (1) the notice includes a statement indicating that descriptions of the properties and minimum bids are available on the Internet web site of the county government or the county government's contractor and in printed form upon request; and (2) the descriptions of the properties are made available on the county's Internet web site and in an electronic format, on a digital storage medium, or in printed form upon request.
- Provides that if a county auditor or county executive has published information concerning properties to be sold in a tax sale on the Internet web site of the county government or the county government's contractor, a person who requests information concerning descriptions of those properties in an alternative form may specify that the person prefers to receive the information in an electronic format, on a digital storage medium, or in printed form.
- Provides that if an owner of property that has been sold at a tax sale sells the property during the redemption period: (1) the amount the buyer must pay to redeem the property includes any excess amount that was paid by the winner bidder at the tax sale and that is being held in the Tax Sale Surplus Fund; (2) a county recorder may not record the conveyance document unless the buyer has redeemed the property; and (3) if the buyer does not redeem the property before the end of the redemption period, the conveyance is inoperable and void.

- Gives the Attorney General the power to enforce current law pertaining to agreements for compensation to locate, deliver, recover, or assist in the recovery of money deposited in a Tax Sale Surplus Fund with respect to real property as a result of a tax sale.
- Provides that when a governmental entity or the state becomes the owner of real property with unpaid property taxes, delinquencies, fees, special assessments, and penalties assessed against the real property, the Indiana Department of Local Government Finance may release the lien against the real property and cancel these assessments with respect to the governmental entity, the state, or a subsequent purchaser, regardless of whether the property taxes were assessed before or after the governmental entity or the state became the owner of the real property.
- Specifies that the cancellation of the assessments and the release of the corresponding lien does not affect the liability of any person that is personally liable for the assessments.

Solid Waste Management Districts (SEA 366, P.L.189)

Author: Liz Brown, R-Fort Wayne

Sponsor: Matthew Lehman, R-Berne

IACT Comments: Under SEA 366 Solid Waste Management Districts will now become optional in Indiana. This action will only take place if the County Executive and Fiscal body choose to do so and the County Legislative body implements the dissolution process. SEA 366 was another issue where IACT had municipalities in support and opposed to the bill. The concerns we heard from members who did not want to see their SWMD dissolved were primarily addressed by requiring both the County Legislative and Fiscal body to take action.

- Provides that the requirement for each county to have a single-county solid waste management district or be a member of a joint solid waste management district expires July 1, 2017.
- Provides that after June 30, 2017: (1) a county may dissolve its single county solid waste management district if: (A) the county executive and county fiscal body adopt ordinances in favor of the dissolution of the district; and (B) the county legislative body follows the procedure by which a political subdivision that established another political subdivision may dissolve that other political subdivision; or (2) a county, by action of the county executive, may withdraw from a joint solid waste management district and adopt an ordinance exercising the county's right not to be designated as a county solid waste management district and not to join another joint solid waste management district.
- Provides that the expiration of the provision requiring all counties to have solid waste management districts does not affect a solid waste management district established before the expiration of the provision.
- Prohibits a member of the county executive, legislative body, or fiscal body from voting on the dissolution of the county's solid waste management district if the member is an employee of the district.

- Provides that, if a district is being dissolved: (1) any assets of the district that are not needed to satisfy the district's legal obligations shall be used by the county to provide the services previously provided by the district; (2) that the county may continue collecting fees collected by the district but is required to use the fee proceeds exclusively to provide services previously provided by the district; and (3) that if the district imposed a property tax levy, the authority of the district to impose the levy is transferred to the county but the county may use the taxes collected under the district's levy authority only for the purposes for which the district was authorized to use its levy.
- Provides that a county, city, town, or township does not have the power to dissolve another political subdivision except as expressly granted by statute, but establishes a procedure by which a political subdivision that established another political subdivision may dissolve that other political subdivision.
- Requires a political subdivision using this procedure to give public notice, hold a public meeting, provide opportunity for public comment, and create a plan concerning the dissolution, including an explanation of how the services provided by the entity to be dissolved will be provided after the entity is dissolved.

Pre-Qualification for Public Works Projects (SEA 375, P.L.144)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Jerry Torr, R-Carmel

IACCT Comments: SEA 375 is a clean-up bill from the 2015 repeal of the Common Construction Wage (CCW). In the House Employment, Labor and Pensions Committee, an amendment was added with the intent of closing any perceived loopholes that would allow local governments to set their own prevailing wage scales despite the repeal of the CCW. However, there were concerns that this amendment had other substantive impacts (e.g. would interfere with locals' ability to negotiate economic development packages), so IACT successfully worked to get this amendment removed while coming up with a solution that met the author's intent. The language that ultimately passed simply references back to existing law to clarify that municipalities are prohibited from establishing their own wage rates or wage scales for public works contracts.

- Delays from June 30, 2016, to December 31, 2016, the date after which public works projects that are awarded must comply with the requirement that a contractor be qualified under IC 4-13.6-4 (state public works projects) or IC 8-23-10 (INDOT contracts) before doing any work on the project.
- Requires that a contractor working on a project that is a public work be qualified by the Indiana Department of Administration's Certification Board (Board).
- Requires that a contractor working on a project that is the construction, improvement, alteration, repair, or maintenance of a road, highway, street, or alley be qualified by INDOT.
- Exempts from the qualification requirement: (1) a materials supplier; and (2) a contractor doing any work on a public works project awarded by a local unit whenever: (A) the total

amount of the contract awarded to the contractor for work on the public works project is less than \$300,000; and (B) the public agency complies with IC 36-1-12 (public works contracts) in awarding the contract for the project.

- Requires that a list of contractors holding a valid certificate of qualification under IC 4-13.6-4 or IC 8-23-10 be available for public inspection during regular office hours and on the Internet.
- Clarifies that a county, city, town, or township is prohibited from establishing wage rates or a wage scale in a public works contract awarded by the unit to which the unit is a party unless federal or state law provides otherwise.

Redevelopment Commissions (SEA 380, P.L.55)

Author: Ryan Mishler, R-Bremen

Sponsor: Dale DeVon, R-Granger

IACT Comments: SEA 380 contains optional procedural changes for redevelopment commissions and redevelopment authorities. It allows these bodies to hold meetings and vote via electronic means where all participating members can simultaneously communicate. It also changes the prerequisite for appointing the non-voting school board member on a redevelopment commission.

- Allows members of the following boards and commissions to vote at electronic meetings: (1) A redevelopment commission (in the case of Marion County, the metropolitan development commission acting as the redevelopment commission). (2) A board of directors of a redevelopment authority (in the case of Marion County, the board of directors of the county convention and recreational facilities authority). (3) A military base reuse authority.
- Requires the redevelopment commission or military base reuse authority to adopt policies governing member participation in electronic meetings of both the commission or authority and the redevelopment authority board of directors.
- Provides that a non-voting adviser appointed to a redevelopment commission may be an individual recommended by the school board to the appointing authority (instead of a member of the school board as under current law).

Courts

Geolocation Information and Unmanned Aerial Vehicles (HEA 1013, P.L. 57)

Author: Eric Koch, R-Bedford

Sponsor: Randy Head, R-Logansport

- Provides that, upon the request of a law enforcement agency, a provider of electronic communications services used by an electronic device is required to provide geolocation

information concerning the electronic device to the law enforcement agency: (1) to allow the law enforcement agency to respond to a call for emergency services; or (2) in an emergency situation that involves the risk of death or serious bodily injury to an individual.

- Specifies that a law enforcement agency may make a request for geolocation information without first obtaining a search warrant or another judicial order that would otherwise be required to obtain the geolocation information if obtaining the search warrant or other judicial order would cause an unreasonable delay in responding to a call for emergency services or an emergency situation.
- Provides that, if a law enforcement agency makes a request for geolocation information without first obtaining a search warrant or another judicial order, the law enforcement agency shall seek to obtain the search warrant or other judicial order issued by a court based upon a finding of probable cause that would otherwise be required to obtain the geolocation information not later than 72 hours after making the request for the geolocation information.
- Requires a provider of electronic communications services used by electronic devices to submit the provider's emergency contact information to the state police department.
- Requires the state police department to: (1) maintain the emergency contact information submitted to the state police department by providers of electronic communication services; and (2) make the information immediately available to a state or local law enforcement agency.
- Allows the use of an unmanned aerial vehicle by a law enforcement officer or governmental entity without obtaining a search warrant if the law enforcement officer determines that the use of the unmanned aerial vehicle is required to obtain aerial photographs or video images of a motor vehicle accident site on a public street or public highway.

[Establishes a Procedure for the Release of Law Enforcement Recordings under the Public Records Law \(HEA 1019, P.L. 58\)](#)

Author: Kevin Mahan, R- Hartford City

Sponsor: Rodric Bray, R-Martinsville

IACT Comments: HEA 1019 creates a uniform framework for all public records requests for law enforcement recordings. This will impact all municipalities that use any sort of audio, visual or audiovisual equipment to capture law enforcement activities. Beyond the requirement that municipalities retain this footage for at least 190 days, it also lays out the court procedures and standards that must be met in court in order for challengers to obtain recordings they were denied by the department.

Before municipalities adopt or continue programs using technology that creates law enforcement recordings, it will be important for the city/town attorney to understand the details of this new legislation and advise decision-makers how to proceed accordingly.

- Establishes a procedure for the release of law enforcement recordings (recordings) under the public records law.

- Exempts custodial interrogations described in Indiana Evidence Rule 617 from provisions applicable to other law enforcement recordings.
- Requires a public agency to permit the following persons (defined as a "requestor" in the statute) to view a recording at least twice: (1) A person depicted in a recording, or if the person is deceased or incapacitated, the person's relative or representative. (2) An owner or occupant of real property depicted in a recording. (3) A crime victim, if the depicted events are relevant to the crime. (4) A person who suffers a loss due to personal injury or property damage, if the depicted events are relevant to the person's loss.
- Allows a "requestor" to be awarded attorney's fees, court costs, and other reasonable expenses if the "requestor" prevails in an action against a public agency to view a recording.
- Requires a public agency to permit all persons to inspect and copy a recording unless the public agency can demonstrate that release of the recording would: (1) pose a significant risk of harm to a person or the public; (2) interfere with a person's ability to get a fair trial; (3) affect an ongoing investigation; or (4) not serve the public interest.
- Provides that a recording that captures information relating to airport security may not be released for public inspection without the approval of the airport operator.
- Specifies the procedure to obtain a court order for the release of a law enforcement recording, and requires a court to expedite the proceedings.
- Caps the fee for copying a law enforcement recording at \$150, and specifies that the agency collecting the fee may spend the fee for certain purposes.
- Specifies information that a public agency may or must obscure from a law enforcement recording before disclosing it.
- Establishes the length of time that a public agency must retain a law enforcement recording.
- Exempts a law enforcement recording from a criminal statute prohibiting placement of a camera on the private property of another person.
- Resolves technical conflicts with SEA 378-2016 and HEA 1022-2016. (The introduced version of this bill was prepared by the interim study committee on government.)

Private University Police Departments (HEA 1022) VETOED

Author: Patrick Bauer, D-South Bend

Sponsor: Susan Glick, D-LaGrange

IACCT Comments: This bill was vetoed by Governor Pence. There is a pending court case.

- Provides that certain records of a private university police department relating to arrests or incarcerations for criminal offenses are public records.
- Allows a private university police department to withhold investigatory records.
- Provides that the name of a crime victim in records released by a private university police department must be redacted unless the release is authorized by the crime victim.
- Provides that an educational institution, a governing board of an educational institution, delegated office or offices of a governing board, or an individual employed by the

educational institution as a police officer have the same immunities Private university police departments.

- Provides that certain records of a private university police department relating to arrests or incarcerations for criminal offenses are public records.
- Allows a private university police department to withhold investigatory records.
- Provides that the name of a crime victim in records released by a private university police department must be redacted unless the release is authorized by the crime victim.
- Provides that an educational institution, a governing board of an educational institution, delegated office or offices of a governing board, or an individual employed by the educational institution as a police officer have the same immunities of the state or state police officers with regard to activities related to law enforcement.

Human Trafficking and Common Nuisance (HEA 1028, P.L. 59)

Author: Randy Truitt, R-West Lafayette

Sponsor: Randy Head, R-Logansport

- Repeals certain provision in current law defining the crimes of visiting and maintaining a common nuisance in connection with the unlawful use of: (1) alcohol; (2) legend drugs; and (3) controlled substances.
- Creates a new statute defining the crimes of visiting and maintaining a common nuisance in connection with: (1) the unlawful use of alcohol; (2) the unlawful use of a legend drug; (3) the unlawful use of controlled substances; and (4) certain human trafficking crimes.
- Makes visiting a common nuisance where certain human trafficking crimes are being committed a Class A misdemeanor, and makes maintaining a common nuisance where certain human trafficking crimes are being committed a Level 6 felony.
- Repeals obsolete provisions and makes conforming amendments.

Court Motion Clerk Pilot Program (HEA 1047, P.L. 62)

Author: Tom Washburne, R-Inglefield

Sponsor: Rodric Bray, R-Martinsville

- Permits the Indiana judicial center to establish a circuit and superior court motion clerk pilot program to provide assistance to courts with preparing orders for complex motions.
- Provides that the judicial center shall administer the pilot program.
- Requires the judicial center to report to the interim study committee on courts and the judiciary committee concerning the pilot program.
- Requires the committee to receive reports concerning the pilot program, and allows the committee to make recommendations and to propose legislation concerning the pilot program.

No Contact and Protective Orders and Battery (HEA 1069, P.L. 65)

Author: Dennis Zent, R-Angola

Sponsor: Susan Glick, R-LaGrange

- Allows a petition to be filed with the juvenile court to order a person to refrain from contact with a member of a foster family home.
- Makes battery a Class A misdemeanor instead of a Class B misdemeanor if the offense is committed against a member of a foster family home by a person who is not a resident of the foster family home if the person who committed the offense is a relative of a person who lived in the foster family home at the time of the offense.
- Makes the offense a Level 6 felony if it results in bodily injury to a member of the foster family.
- Removes the sentencing enhancement for battery committed against a family or household member in the presence of a child from the battery statute and places it in the domestic battery statute.
- Specifies that numerous provisions in the battery statute constitute domestic battery if they are committed against a family or household member.
- Makes certain other changes to penalties concerning the offense of battery.
- Provides that a person who knowingly or intentionally violates a no contact order in a child in need of services proceeding or in a juvenile delinquency proceeding commits a Level 6 felony.
- Makes conforming amendments.

Firearms and Certification (HEA 1085, P.L. 66)

Author: Sean Eberhart, R-Shelbyville

Sponsor: Brent Steele, R-Bedford

- Defines "chief law enforcement officer" as an official whose certification is required under federal law for a person to manufacture or transfer certain firearms, and requires a chief law enforcement officer to issue a requested certification unless the person requesting the certification is: (1) prohibited by law from receiving or possessing a firearm; or (2) the subject of a proceeding that could result in the person being prohibited by law from receiving or possessing a firearm.
- Requires a chief law enforcement officer who denies a request for certification to explain the reasons for the denial in writing.
- Permits a person whose certification is denied the right to challenge the denial by filing an action in a circuit or superior court, specifies that the chief law enforcement officer bears the burden of proving that the denial was lawful, and permits the award of reasonable attorney's fees and other costs to the person if there was no substantial basis for the denial.
- Provides civil immunity to a chief law enforcement officer for acts or omissions made in good faith.

Criminal Justice Matters (HEA 1102, P.L. 69)

Author: Gregory Steuerwald, R-Avon

Sponsor: Brent Steele, R-Bedford

- Allows the department of correction (department) to make grants to county jails to provide evidence based mental health and addiction forensic treatment services from funds appropriated to the department for the department's operating expenses for the state fiscal year.
- Requires the commissioner of correction to coordinate with the division of mental health and addiction when issuing community corrections and court supervised recidivism reduction program grants.
- Requires collaboration among: (1) the probation department; (2) the community corrections program; and (3) any other local criminal justice agency that receives funding from the department; when creating a community corrections plan.
- Encourages counties to include the courts, prosecuting attorneys, public defenders, and sheriffs when creating a community corrections plan.
- Provides that mental health and forensic addiction treatment services shall be made available to individuals who: (1) have been charged with a felony offense; or (2) have a prior felony conviction; if the individuals are eligible for placement with a pretrial services program, community corrections program, prosecuting attorney's diversion program, or jail.

Prosecutions for Rape and Criminal Deviate Conduct (HEA 1105, P.L. 70)

Author: Christina Hale, D-Indianapolis

Sponsor: Michael Crider, R-Greenfield

- Specifies that certain exceptions to the statute of limitations for rape as a Level 3 felony also apply to rape as a Class B felony (for crimes committed before July 1, 2014).
- Provides that a prosecution for criminal deviate conduct as a Class B felony for an offense committed before the crime was repealed on July 1, 2014, that would otherwise be barred may be commenced not later than five years after the earliest of the date on which: (1) the state first discovers evidence sufficient to charge the offender with the offense through DNA analysis; (2) the state first becomes aware of the existence of a recording that provides evidence sufficient to charge the offender with the offense; or (3) a person confesses to the offense.
- Provides that state educational institution and approved postsecondary educational institution student advocate office employees and volunteers who provide services to certain victims have testimonial privilege regarding confidential victim information.

Ignition Interlock Devices (HEA 1130, P.L. 71)

Author: Timothy Wesco, R-Osceola

Sponsor: Dennis Kruse, R-Auburn

- Requires the criminal justice institute (institute) to establish standards for: (1) service centers; (2) inspections; and (3) ignition interlock device technicians.
- Specifies that certain fees relating to ignition interlock devices shall be paid by the service center, provider, or vendor, deposited in an account administered by the Indiana criminal justice institute, and used to defray the expense of testing and inspecting ignition interlock devices.
- Requires the institute and the bureau of motor vehicles to enter into a memorandum of understanding regarding ignition interlock devices.

Human Trafficking (HEA 1199, P.L. 75)

Author: Wendy McNamara, R-Mount Vernon

Sponsor: Randy Head, R-Logansport

- Adds the crime of promotion of human trafficking of a minor to the definitions of "sex offender" and "sex or violent offender".

Methamphetamine and Criminal Mischief (HEA 1211, P.L. 76)

Author: Martin Carbaugh, R-Fort Wayne

Sponsor: Liz Brown, R-Fort Wayne

IACT Comments: For more information on meth-related legislation, see SEA 80 under the Public Safety section and its companion bill SEA 161 below or under the Public Safety section.

- Includes the attempted manufacture of methamphetamine in the statutory definition of "methamphetamine abuse."
- Requires law enforcement agencies to report fires related to methamphetamine abuse to the Indiana criminal justice institute.
- Makes it institutional criminal mischief, a Class A misdemeanor, for a person to recklessly, knowingly, or intentionally damage property: (1) that is vacant real property or a vacant structure; or (2) after the person has been denied entry to the property by a court order that was issued to the person or to the general public by conspicuous posting on or around the property in areas where a person could observe the order when the property has been designated by a municipality or county enforcement authority to be a vacant property, an abandoned property, or an abandoned structure.
- Makes the offense: (1) a Level 6 felony if the pecuniary loss is at least \$750 but less than \$50,000; and (2) a Level 5 felony if the pecuniary loss is at least \$50,000.

- Provides that, if the offense involved the use of graffiti, the court may order that the person's operator's license be suspended or invalidated by the bureau of motor vehicles for not more than one year.
- Makes it controlled substances criminal mischief, a Level 6 felony, for a person to recklessly, knowingly, or intentionally damage property: (1) during the dealing or manufacture of or attempted dealing or manufacture of cocaine or a narcotic drug or the dealing or attempted dealing of methamphetamine; and (2) by means of a fire or an explosion.
- Makes the offense a Level 5 felony if the offense results in moderate bodily injury to any person other than a defendant.
- Defines "pecuniary loss" for purposes of criminal mischief offenses

Sexual Assault Victims' Assistance Fund (HEA 1233, P.L. 77)

Author: Julie Olthoff, R-Merrillville

Sponsor: Michael Crider, R-Greenfield

- Defines the term "trauma informed sexual assault services."
- Requires the governor to appoint a member recommended by a sexual assault coalition recognized by the federal Centers for Disease Control and Prevention (CDC) to the sexual assault victim advocate standards and certification board.
- Renames the "sexual assault victims assistance account" as the "sexual assault victims assistance fund" (fund).
- Requires the victim services division (division) of the Indiana criminal justice institute to administer the fund.
- Requires the division to provide funding to: (1) establish and maintain rape crisis centers; (2) enhance services provided by existing rape crisis centers; and (3) develop, implement, and expand trauma informed sexual assault services.
- Allows the division to designate funds for program administration.
- Requires the division to seek direction from a statewide nonprofit sexual assault coalition designated by the CDC, if any exists, before making a distribution from the fund.
- Makes conforming amendments.

Trial Court Jurisdiction (HEA 1322, P.L. 84)

Author: Eric Koch, R-Bedford

Sponsor: Brent Steele, R-Bedford

- Specifies that circuit courts, superior courts, and probate courts have original and concurrent jurisdiction under certain provisions of the Indiana Code.
- Requires the public defender commission (rather than the division of state court administration) to hire staff to support the public defender commission.
- Makes technical corrections.

Juvenile Justice (HEA 1369, P.L. 88)

Author: Wendy McNamara, R-Mount Vernon

Sponsor: Travis Holdman, R-Markle

- Requires the commission on improving the status of children to: (1) study and evaluate innovative juvenile justice programs, including juvenile community corrections; and (2) consult with the justice reinvestment advisory council concerning how funds should be distributed for innovative juvenile justice programs and juvenile community corrections.

Administrative Law Study Commission (SEA 1, P.L. 11)

Author: Brent Steele, R-Bedford

Sponsor: Gregory Steuerwald, R-Danville

- Establishes the 12 member administrative law study commission (commission) to study issues concerning whether administrative law judges and environmental law judges should be replaced by an administrative court that conducts administrative hearings and other duties currently conducted by administrative law judges and environmental law judges.
- Requires the commission to submit a final report to the legislative council concerning the commission's findings and recommendations before November 1, 2016.

Various Criminal Law Matters (SEA 14, P.L. 13)

Author: Randy Head, R-Logansport

Sponsor: Shawn Eberhart, R-Shelbyville

- Makes the offense of child exploitation a Level 4 felony instead of a Level 5 felony if the offense involves, depicts, or describes a child less than 18 years of age who: (1) engages in bestiality; (2) is mentally disabled or deficient; (3) participates in the sexual conduct, matter, performance, or incident by use of force or the threat of force; (4) physically or verbally resists participating in the sexual conduct, matter, performance, or incident; (5) receives a bodily injury while participating in the sexual conduct, matter, performance, or incident; or (6) is less than 12 years of age.
- Makes the offense of possession of child pornography a Level 5 felony instead of a Level 6 felony if the offense involves, depicts, or describes sexual conduct by a child who the defendant knows is less than 18 years of age, or who appears to be less than 18 years of age, who: (1) engages in bestiality; (2) is mentally disabled or deficient; (3) participates in the sexual conduct by use of force or the threat of force; (4) physically or verbally resists participating in the sexual conduct; (5) receives a bodily injury while participating in the sexual conduct; or (6) is less than 12 years of age.
- Adds the crime of child exploitation to the definition of "crime of violence" for purposes of the law concerning a court's determination whether terms of imprisonment should be

served concurrently or consecutively. (A person who commits a "crime of violence" may receive a longer sentence.)

- Makes conforming amendments.
- Requires that a performer who provides adult entertainment on a licensed premises to provide proof of age by at least one form of government issued identification instead of two. Specifies that a photograph taken of an adult entertainer who auditions to provide adult entertainment must only show the adult entertainer's facial features.
- Amends the definition of "violent criminal" for purposes of the law concerning sentencing to include certain Class A felonies and Class B felonies committed before July 1, 2014.

Children in Need of Services (SEA 26, P.L. 16)

Author: Brent Steele, R-Bedford

Sponsor: Gregory Steuerwald, R-Danville

- Provides that a child is a child in need of services if the child needs care, treatment or rehabilitation and lives in the same household as an adult who: (1) committed certain offenses; or (2) has been charged with certain offenses and is awaiting trial. Makes conforming amendments.

Magistrates (SEA 27, P.L. 17)

Author: Brent Steele, R-Bedford

Sponsor: Mike Speedy, R-Indianapolis

- Allows the judge of the Marion circuit court to appoint one full-time magistrate to serve the circuit court. Extends the term of the magistrate jointly appointed by the judge of the Sullivan circuit court and the judge of the Sullivan superior court from July 1, 2016, to January 1, 2017.

Senior Judges, Judges Pro Tempore, and Oaths (SEA 81, P.L. 22)

Author: R. Michael Young, R-Indianapolis

Sponsor: Gregory Steuerwald, R-Danville

- Allows: (1) a senior judge; or (2) a judge pro tempore; serving in a county that has a probate court, a circuit court, or a superior court judge to, with the consent of the judge of the probate court, circuit court, or a superior court in the county, sit as the judge of the consenting judge's court in any matter as if the senior judge or judge pro tempore were the elected judge or appointed judge of the court.
- Provides that a judge pro tempore may serve as a judge of a court regardless of whether the appointed or elected judge of the court is present and available in the building that contains the court.

- Provides that justices and judges of courts may administer oaths anywhere in Indiana.

Operating While Intoxicated (SEA 142, P.L. 26)

Author: R. Michael Young, R-Indianapolis

Sponsor: Gregory Steuerwald, R-Danville

- Provides that a person who commits the offense of causing the death of another person when operating a vehicle: (1) with an alcohol concentration equivalent to at least 0.08 gram of alcohol per 100 milliliters of the person's blood or 210 liters of the person's breath; (2) with a controlled substance listed in schedule I or II or its metabolite in the person's blood; or (3) while intoxicated; commits a Level 4 felony instead of a Level 5 felony if the person has a previous conviction of operating while intoxicated within 10 years preceding the commission of the offense instead of within five years preceding the commission of the offense.
- Provides that a person convicted of a Level 6 felony may be committed to the department of correction (DOC) if the person has received an enhanced sentence for being a habitual vehicular substance offender.
- Provides that a person who operates a motorboat while intoxicated (motorboat OWI) shall receive an enhanced penalty if the person has a previous conviction under a repealed version of the crime.

Juvenile Law (SEA 160, P.L. 28)

Author: R. Michael Young, R-Indianapolis

Sponsor: Tom Washburne, Inglefield

- Allows an adult court having jurisdiction over a minor charged with an offense requiring the automatic transfer of jurisdiction to the adult court to withhold judgment and transfer jurisdiction to the juvenile court for adjudication and disposition if the minor is convicted of an offense, but not convicted of an offense requiring the automatic transfer of jurisdiction to the adult court.
- Allows an intake officer to impose conditions upon the release of a child who was not taken into custody under an order of the court.
- Requires the juvenile court to hold a detention hearing within 48 hours if an intake officer imposes conditions of release upon a child.

Pharmacists, Ephedrine, and Methamphetamine (SEA 161, P.L. 5)

Author: R. Michael Young, R-Indianapolis

Sponsor: David Frizzell, R-Indianapolis

IACT Comments: For more information on meth-related legislation, see SEA 161's companion bill SEA 80 under the Public Safety section and HEA 1211 under Courts, Criminal Code or Public Safety.

- Requires the division of state court administration to report certain methamphetamine-related felonies to the National Precursor Log Exchange (NPLEx) so that NPLEx can generate a stop sale alert to prevent persons convicted of those felonies from purchasing ephedrine or pseudoephedrine.
- Requires the Indiana board of pharmacy (board) to adopt emergency rules that are effective July 1, 2016, concerning: (1) professional determinations made; and (2) a relationship on record with the pharmacy; concerning the sale of ephedrine or pseudoephedrine.
- Authorizes the board to: (1) review professional determinations made; and (2) discipline a pharmacist who violates a rule concerning a professional determination made; concerning the sale of ephedrine or pseudoephedrine.
- Allows the board, in consultation with the state police, to declare a product to be an extraction resistant or a conversion resistant form of ephedrine or pseudoephedrine.
- Specifies that a person who is denied the sale of a nonprescription product containing pseudoephedrine or ephedrine is not prohibited from obtaining pseudoephedrine or ephedrine pursuant to a prescription.
- Provides that a pharmacist or pharmacy technician may determine that the purchaser has a relationship on record with the pharmacy, in compliance with rules adopted by the board.
- Allows a pharmacist to deny the sale of ephedrine or pseudoephedrine on the basis of the pharmacist's professional judgment, and provides the pharmacist with civil immunity for making such a denial.
- Provides that a purchaser who has a relationship on record with the pharmacy may purchase pseudoephedrine or ephedrine.
- Allows the pharmacist to provide certain pseudoephedrine or ephedrine products to a purchaser who does not have a relationship on record with the pharmacy or for whom the pharmacist has made a professional judgment that there is not a medical or pharmaceutical need.
- Requires the Indiana scheduled prescription electronic collection and tracking (INSPECT) program to track ephedrine and pseudoephedrine dispensed pursuant to a prescription.
- Removes an expired provision. Makes technical changes.

Criminal Law Matters (SEA 174, P.L. 31)

Author: R. Michael Young, R-Indianapolis

Sponsor: David Frizzell, R-Indianapolis

- Provides that a person who, with intent to: (1) deceive; or (2) induce compliance with the person's instructions, orders, or requests; falsely represents that the person is a public servant, commits impersonation of a public servant, a Class A misdemeanor.

- Creates the offense of dealing in a controlled substance by a practitioner, and enhances the offense if the offenses causes the death of another person.

Guardianship and Adult Protective Services Report (SEA 192, P.L.34)

Author: Michael Crider, R-Greenfield

Sponsor: Dale DeVon, R-Granger

- Requires the Indiana Family and Social Services Administration (FSSA), in cooperation with the Indiana Prosecuting Attorneys Council (IPAC), to prepare and submit a report to the Legislative Council before December 1, 2016, concerning adult protective services.
- Specifies that the report must include: (1) an estimation of appropriate staffing levels necessary to efficiently and effectively manage the investigations of reports of matters related to the abuse, neglect, or exploitation of endangered adults; (2) identification of: (A) the circumstances that should result in emergency placement in the case of an adult protective services investigation; (B) the appropriate types of emergency placements based on those circumstances; and (C) strategies for improving emergency placement capabilities; (3) consideration of the benefits and cost of establishing a centralized intake system for reports of matters related to the abuse, neglect, or exploitation of endangered adults; (4) a statement of consistent standards of care for endangered adults; (5) a determination of the appropriate levels of training for employees who are involved in providing adult protective services; (6) a draft of a cooperative agreement between FSSA and IPAC that sets forth the duties and responsibilities of the agencies and county prosecuting attorney offices with regard to adult protective services; and (7) performance goals and accountability metrics for adult protective services to be incorporated in contracts and grant agreements.
- Provides that FSSA shall present the report to the State Budget Committee.
- Provides that the State Budget Committee shall consider the report in formulating the Committee's budget recommendations.
- Urges the Legislative Council to assign to the appropriate committee a study of the visitation, communication, and interaction with a protected person.

Driving Privileges Suspensions (SEA 248, P.L.41)

Author: Jon Ford, R-Terre Haute

Sponsor: Chuck Mosely, D-Portage

- Provides that when judgment has been imposed for committing two worksite speed limit violations within one year, an additional penalty of the suspension of the person's driving privileges for 60 days may be imposed by the court imposing the sentence for the second violation.

- Provides that specialized driving privileges may be granted to the person by the court for the purpose of operating a motor vehicle between the place of employment and residence of the person.

Criminal Law Matters (SEA 290, P.L.44)

Author: R. Michael Young, R-Indianapolis

Sponsor: Gregory Steuerwald, R-Danville

- Provides that a person may be convicted of possession with intent to manufacture or deliver a controlled substance without additional evidence of intent to manufacture or deliver if the person possesses more than a specified quantity of the controlled substance.
- Specifies that the fact that an individual has attended a syringe exchange program may not form any part of a probable cause or reasonable suspicion determination.
- Permits a person placed on home detention as a condition of pre-trial release to earn one day of good time credit for every four days served on pre-trial home detention.

Department of Child Services Matters (SEA 305, P.L.46)

Author: Randy Head, R-Logansport

Sponsor: David Frizzell, R-Indianapolis

- Adds a definition of foster care.
- Amends the deadline for the Indiana Department of Child Services (DCS) to notify a school corporation that a child in foster care will attend a school to September 1.
- Adds: (1) human or sexual trafficking offenses; (2) sexual battery against a child; (3) vicarious sexual gratification offenses; (4) child solicitation; (5) patronizing a prostitute; and (6) promoting prostitution; to the list of offenses under which a child victim may be designated as a child in need of services (CHINS).
- Expands the statutory definition of "human trafficking" and "sex trafficking" to include: (1) federal definitions of the offenses; and (2) definitions of the offenses from other jurisdictions.
- Adds a CHINS designation for a child who: (1) lives in the same household as an adult who committed or is charged with human or sexual trafficking; and (2) needs care, treatment, or rehabilitation that the child is not receiving or is unlikely to be provided without intervention.
- Creates a rebuttable presumption that a child is a CHINS if the state establishes that the child lives in the same household as an adult that has committed or been charged with certain offenses.
- Permits a finding by a juvenile court that reasonable efforts for reunification are not necessary if a child is a CHINS: (1) as a result of being a victim of a human or sexual trafficking offense that was committed by a parent, guardian, or custodian and resulted in

a conviction; or (2) as a result of the parent, guardian, or custodian being charged with a human or sexual trafficking offense.

- Removes the requirement that a delinquent child must be removed from the home in order to enter an informal adjustment.
- Allows any court with jurisdiction over a child in an adoption matter to approve excess payments for costs incurred by the birth mother.
- Repeals language regarding foster care review boards.
- Adds missing Interstate Compact on the Placement of Children language.
- Adds the National Center for Missing and Exploited Children to the entities with which the DCS may share assessment reports.

Criminal Code

Human Trafficking and Common Nuisance (HEA 1028, P.L. 59)

Author: Randy Truitt, R-West Lafayette

Sponsor: Randy Head, R-Logansport

- Repeals certain provision in current law defining the crimes of visiting and maintaining a common nuisance in connection with the unlawful use of: (1) alcohol; (2) legend drugs; and (3) controlled substances.
- Creates a new statute defining the crimes of visiting and maintaining a common nuisance in connection with: (1) the unlawful use of alcohol; (2) the unlawful use of a legend drug; (3) the unlawful use of controlled substances; and (4) certain human trafficking crimes.
- Makes visiting a common nuisance where certain human trafficking crimes are being committed a Class A misdemeanor, and makes maintaining a common nuisance where certain human trafficking crimes are being committed a Level 6 felony.
- Repeals obsolete provisions and makes conforming amendments.

Motor Vehicle Accidents (HEA 1048, P.L. 63)

Author: Edmond Soliday, R-Valparaiso

Sponsor: Ed Charbonneau, R-Valparaiso

- Makes it a Class C infraction if a motor vehicle involved in an accident comes to a stop in the traveled portion of a highway, and the operator fails (with certain exceptions) to move the motor vehicle off the traveled portion of the highway in a manner that does not obstruct traffic more than is necessary.
- Provides that, with certain exceptions, a person who knowingly or intentionally possesses a plate or label that contains an identification number not attached to the motor vehicle or motor vehicle part to which the plate or label was originally assigned by a manufacturer or governmental entity commits a Class A misdemeanor, increases the penalty to a Level 6

felony if the person possesses more than one unattached plate or if the value of the motor vehicle or motor vehicle part to which the plate is attached is between \$750 and \$50,000, and increases the penalty to a Level 5 felony if the value of the motor vehicle or motor vehicle part to which the plate is attached is at least \$50,000.

- Provides that a person that damages, removes, or alters an original or a special identification number commits a Level 6 felony.
- Increases the penalty for selling a motor vehicle with an altered identification number to a Level 6 felony if the value of the vehicle is between \$750 and \$50,000, and to a Level 5 felony if the value of the vehicle is at least \$50,000.
- Makes the penalty for counterfeiting a motor vehicle title a Class A misdemeanor (under current law, the offense is a Class B misdemeanor), and increases the penalty to a Level 6 felony if the value of the vehicle is between \$750 and \$50,000, and to a Level 5 felony if the value of the vehicle is at least \$50,000.
- Defines the term "emergency incident".
- Expands the definition of the term "emergency incident area".

No Contact and Protective Orders and Battery (HEA 1069, P.L. 65)

Author: Dennis Zent, R-Angola

Sponsor: Susan Glick, R-LaGrange

- Allows a petition to be filed with the juvenile court to order a person to refrain from contact with a member of a foster family home.
- Makes battery a Class A misdemeanor instead of a Class B misdemeanor if the offense is committed against a member of a foster family home by a person who is not a resident of the foster family home if the person who committed the offense is a relative of a person who lived in the foster family home at the time of the offense.
- Makes the offense a Level 6 felony if it results in bodily injury to a member of the foster family.
- Removes the sentencing enhancement for battery committed against a family or household member in the presence of a child from the battery statute and places it in the domestic battery statute.
- Specifies that numerous provisions in the battery statute constitute domestic battery if they are committed against a family or household member.
- Makes certain other changes to penalties concerning the offense of battery.
- Provides that a person who knowingly or intentionally violates a no contact order in a child in need of services proceeding or in a juvenile delinquency proceeding commits a Level 6 felony.
- Makes conforming amendments.

Prosecutions for Rape and Criminal Deviate Conduct (HEA 1105, P.L. 70)

Author: Christina Hale, D-Indianapolis

Sponsor: Michael Crider, R-Greenfield

- Specifies that certain exceptions to the statute of limitations for rape as a Level 3 felony also apply to rape as a Class B felony (for crimes committed before July 1, 2014).
- Provides that a prosecution for criminal deviate conduct as a Class B felony for an offense committed before the crime was repealed on July 1, 2014, that would otherwise be barred may be commenced not later than five years after the earliest of the date on which: (1) the state first discovers evidence sufficient to charge the offender with the offense through DNA analysis; (2) the state first becomes aware of the existence of a recording that provides evidence sufficient to charge the offender with the offense; or (3) a person confesses to the offense.
- Provides that state educational institution and approved postsecondary educational institution student advocate office employees and volunteers who provide services to certain victims have testimonial privilege regarding confidential victim information.

Human Trafficking (HEA 1199, P.L. 75)

Author: Wendy McNamara, R-Mount Vernon

Sponsor: Randy Head, R-Logansport

- Adds the crime of promotion of human trafficking of a minor to the definitions of "sex offender" and "sex or violent offender".

Methamphetamine and Criminal Mischief (HEA 1211, P.L. 76)

Author: Martin Carbaugh, R-Fort Wayne

Sponsor: Liz Brown, R-Fort Wayne

IACT Comments: For more information on meth-related legislation, see SEA 80 under the Public Safety section and its companion bill SEA 161 under Public Safety or Courts.

- Includes the attempted manufacture of methamphetamine in the statutory definition of "methamphetamine abuse".
- Requires law enforcement agencies to report fires related to methamphetamine abuse to the Indiana criminal justice institute.
- Makes it institutional criminal mischief, a Class A misdemeanor, for a person to recklessly, knowingly, or intentionally damage property: (1) that is vacant real property or a vacant structure; or (2) after the person has been denied entry to the property by a court order that was issued to the person or to the general public by conspicuous posting on or around the property in areas where a person could observe the order when the property has been

designated by a municipality or county enforcement authority to be a vacant property, an abandoned property, or an abandoned structure.

- Makes the offense: (1) a Level 6 felony if the pecuniary loss is at least \$750 but less than \$50,000; and (2) a Level 5 felony if the pecuniary loss is at least \$50,000.
- Provides that, if the offense involved the use of graffiti, the court may order that the person's operator's license be suspended or invalidated by the bureau of motor vehicles for not more than one year.
- Makes it controlled substances criminal mischief, a Level 6 felony, for a person to recklessly, knowingly, or intentionally damage property: (1) during the dealing or manufacture of or attempted dealing or manufacture of cocaine or a narcotic drug or the dealing or attempted dealing of methamphetamine; and (2) by means of a fire or an explosion.
- Makes the offense a Level 5 felony if the offense results in moderate bodily injury to any person other than a defendant.
- Defines "pecuniary loss" for purposes of criminal mischief offenses.

Various Natural Resources Matters (HEA 1246, P.L. 111)

Author: Shawn Eberhart, R-Shelbyville

Sponsor: Susan Glick, R-LaGrange

- Removes from the natural resources commission duties to administer parts of the flood control program and the flood control revolving fund. (Current law provides that the Indiana finance authority (authority) administer the program and fund.)
- Provides that an application to have land classified as native forest land, a forest plantation, or wildlands must be handled by the county assessor. (Current law requires the county auditor to handle the applications.)
- Provides that a person who operates certain boats that do not have an aft light commits a Class C infraction.
- Prohibits the use of unmanned aerial vehicles to scout game during the period beginning 14 days before the beginning of the hunting season and ending upon the expiration of legal hunting hours on the last day of the hunting season.
- Changes the name of the public information and education division of the department of natural resources (DNR) to the communications division.
- Specifies the type of flotation device that a person on a boat or personal watercraft must have.
- Amends the list of law enforcement offices that may be notified of a boating accident.
- Provides that the violation of certain boating rules is a Class C infraction.
- Allows the operator of a nonregistered off-road vehicle or a snowmobile from another state or country to purchase a trail use tag to operate on designated trails and properties.
- Allows the director of DNR to authorize the taking of wild animals on historic site property if certain conditions are met.

- Removes DNR's authority to issue commemorative migratory waterfowl and game bird habitat restoration stamps.
- Allows the manager of a public use airport, or the manager's designee, to trap coyotes and migratory birds without a license if the coyotes or birds pose a threat to aircraft.
- Repeals the dog training ground permit statute.
- Removes a provision concerning the application of hunter orange requirements during certain hunting seasons.
- Provides that a ginseng dealer who purchases or sells ginseng for resale or exportation without a license commits a Class B misdemeanor.
- Amends certain lien procedures on complete projects to restore or prevent adverse effects of past coal mining practices on privately owned land.
- Adds conservancy districts and certain wastewater treatment systems to the participants that may qualify for loans or other financial assistance.
- Removes the total loan limit, loan period, and fixed interest rate to a participant.
- Allows the authority to establish interest rates for each loan.

Various Criminal Law Matters (SEA 14, P.L. 13)

Author: Randy Head, R-Logansport

Sponsor: Shawn Eberhart, R-Shelbyville

- Makes the offense of child exploitation a Level 4 felony instead of a Level 5 felony if the offense involves, depicts, or describes a child less than 18 years of age who: (1) engages in bestiality; (2) is mentally disabled or deficient; (3) participates in the sexual conduct, matter, performance, or incident by use of force or the threat of force; (4) physically or verbally resists participating in the sexual conduct, matter, performance, or incident; (5) receives a bodily injury while participating in the sexual conduct, matter, performance, or incident; or (6) is less than 12 years of age.
- Makes the offense of possession of child pornography a Level 5 felony instead of a Level 6 felony if the offense involves, depicts, or describes sexual conduct by a child who the defendant knows is less than 18 years of age, or who appears to be less than 18 years of age, who: (1) engages in bestiality; (2) is mentally disabled or deficient; (3) participates in the sexual conduct by use of force or the threat of force; (4) physically or verbally resists participating in the sexual conduct; (5) receives a bodily injury while participating in the sexual conduct; or (6) is less than 12 years of age.
- Adds the crime of child exploitation to the definition of "crime of violence" for purposes of the law concerning a court's determination whether terms of imprisonment should be served concurrently or consecutively. (A person who commits a "crime of violence" may receive a longer sentence.)
- Makes conforming amendments.
- Requires that a performer who provides adult entertainment on a licensed premises to provide proof of age by at least one form of government issued identification instead of

two. Specifies that a photograph taken of an adult entertainer who auditions to provide adult entertainment must only show the adult entertainer's facial features.

- Amends the definition of "violent criminal" for purposes of the law concerning sentencing to include certain Class A felonies and Class B felonies committed before July 1, 2014.

Child Abuse Prevention Fee and Domestic Violence Prevention and Treatment Fee (SEA 17, P.L. 15)

Author: Randy Head, R-Logansport

Sponsor: Wendy McNamara, R-Mount Vernon

- Adds the offense of strangulation to the list of offenses requiring payment of the child abuse prevention fee and the domestic violence prevention and treatment fee.

Criminal Gang Organization (SEA 141, P.L. 25)

Author: R. Michael Young, R-Indianapolis

Sponsor: Cindy Kirchhofer, R-Beech Grove

- Changes the term "criminal gang" to "criminal organization."
- Provides that a criminal organization is a group organized to commit a felony or the crime of battery.
- Increases the penalty for assisting a criminal to a Level 6 felony if the person who commits the offense or the person assisted is a member of a criminal organization.
- Makes criminal organization activity a Level 6 felony, and increases the penalty to a Level 5 felony if the person commits an offense involving the unlawful use of a firearm.
- Specifies certain additional evidence that the trier-of-fact may consider in determining whether a person has committed specified offenses involving criminal organizations.

Operating While Intoxicated (SEA 142, P.L. 26)

Author: R. Michael Young, R-Indianapolis

Sponsor: Gregory Steuerwald, R-Danville

- Provides that a person who commits the offense of causing the death of another person when operating a vehicle: (1) with an alcohol concentration equivalent to at least 0.08 gram of alcohol per 100 milliliters of the person's blood or 210 liters of the person's breath; (2) with a controlled substance listed in schedule I or II or its metabolite in the person's blood; or (3) while intoxicated; commits a Level 4 felony instead of a Level 5 felony if the person has a previous conviction of operating while intoxicated within 10 years preceding the commission of the offense instead of within five years preceding the commission of the offense.

- Provides that a person convicted of a Level 6 felony may be committed to the department of correction (DOC) if the person has received an enhanced sentence for being a habitual vehicular substance offender.
- Provides that a person who operates a motorboat while intoxicated (motorboat OWI) shall receive an enhanced penalty if the person has a previous conviction under a repealed version of the crime.

Criminal Law Matters (SEA 174, P.L. 31)

Author: R. Michael Young, R-Indianapolis

Sponsor: David Frizzell, R-Indianapolis

- Provides that a person who, with intent to: (1) deceive; or (2) induce compliance with the person's instructions, orders, or requests; falsely represents that the person is a public servant, commits impersonation of a public servant, a Class A misdemeanor.
- Creates the offense of dealing in a controlled substance by a practitioner, and enhances the offense if the offenses causes the death of another person.

Real Property Offenses (SEA 183, P.L.32)

Author: Rodric Bray, R-Martinsville

Sponsor: John Price, R-Greenwood

- Amends the statute concerning criminal trespass to specify that a person commits criminal trespass if the person knowingly or intentionally enters or refuses to leave the real property of another person after having been prohibited from entering or asked to leave the real property by a law enforcement officer when the real property is: (1) vacant real property or a vacant structure (both as defined by the statute concerning the abatement of vacant structures and abandoned structures); or (2) designated by a municipality or county enforcement authority to be abandoned property or an abandoned structure.
- Provides that a person who knowingly or intentionally damages, defaces, or permanently removes an object from real property that is the subject of a mortgage foreclosure proceeding commits foreclosure mischief, a Class B misdemeanor.
- Increases the penalty to a Class A misdemeanor if the damage caused is between \$750 and \$50,000, and to a Level 6 felony if the damage caused is \$50,000 or more.
- Establishes a defense to foreclosure mischief if the damage, removal, or defacement was the result of repair, renovation, replacement, or maintenance performed in good faith.

Economic Development

Road Funding (HEA 1001, P.L. 146)

Author: Edmond Soliday, R-Valparaiso

Sponsor: Luke Kenley, R- Noblesville

IACT Comments: The funding mechanism of \$42 million for the third region selected for the Regional Cities Initiative was included in HEA 1001. There was enough funding collected from the 2015 tax amnesty program to fund a third region along with the pension 13th check and a newly created teacher scholarship program. The selection of a third region was announced by Governor Pence in the fall of 2015 and he directed the legislature to find additional funding for the third region. This funding discussion was included in the road funding debate during session and House Republican legislators used this as leverage to pass a road funding bill.

- At the end of state fiscal year 2016, transfers state reserves that exceed 11.5% of general revenue appropriations as follows: (1) 55% to the state highway fund. (2) 45% to the local road and bridge matching grant fund.
- Provides that use tax collected on sales of gasoline is distributed differently than ordinary sales and use tax collections.
- Allows a county that uses a transportation asset management plan approved by the Indiana department of transportation to impose the county motor vehicle license excise surtax and the county wheel tax at higher rates.
- Authorizes an eligible municipality to impose a municipal motor vehicle license excise surtax and a municipal wheel tax.
- Provides for the deposit of certain excise taxes and local taxes collected under the tax amnesty program, including funding for a third regional cities project, thirteenth pension checks in 2016, and next generation Hoosier educators scholarships.
- Requires a transfer of \$100,000,000 from the state general fund to the state highway fund instead of to the major moves 2020 trust fund in state fiscal year 2017 and provides that the money transferred must be used only for preserving and reconstructing existing roads and bridges for which the department is responsible.
- Establishes the local road and bridge matching grant fund.
- Provides the following in the case of infraction judgments imposed in Clark County for toll violations after January 1, 2017: (1) The court shall impose a judgment of not less than \$35 for such an infraction judgment. (2) The funds collected for such an infraction judgment shall be transferred to a dedicated toll revenue fund created as part of the project and may be used only to pay the cost of operating, maintaining, and repairing the tolling system.
- Establishes the funding Indiana's roads for a stronger, safer tomorrow task force. Requires the task force to develop a long term plan for state highway and major bridge needs, including sustainable funding mechanisms for the various components of the plan.
- Makes appropriations for various highway and bridge maintenance purposes.

- Appropriates \$500,000 for the local technical assistance program to assist with the development and operation of local government transportation asset management plans and pavement management plans.

Business Personal Property Tax Exemption (HEA 1169, P.L. 199)

Author: Tom Saunders, R-Lewisville

Sponsor: Brandt Hershman, R-Buck Creek

- Replaces the requirement that a taxpayer that is eligible for the business personal property tax exemption submit to the county assessor a notarized statement each year affirming the taxpayer's eligibility for the exemption, subject to penalties for perjury, with a requirement that the taxpayer indicate on the taxpayer's personal property return that the taxpayer is eligible for the exemption for the assessment date.

PILOT's, Charges and Fees on Tax Exempt Property (HEA 1180, P.L. 200)

Author: Woody Burton, R-Whiteland

Sponsor: Dennis Kruse, R-Auburn

IACT Comments: Some municipalities have adopted policies that prohibit non-profits from locating in certain TIF areas unless the non-profits make Payments In Lieu of Taxes (PILOTs). These ordinances are put in place because it is imperative that only tax paying entities locate in a TIF area in order for bonds, used to fund improvements, to be paid. HB 1180 started as a bill to protect churches and religious schools from these types of ordinances. However, the bill was ultimately changed to only prohibit local governments from charging PILOTs to non-profits that were in their location prior to the TIF area being created, with certain exceptions.

- Provides that a political subdivision may not do any of the following with regard to tax exempt property that is located in a tax increment allocation area and either: (1) was located in the allocation area before the designation of the allocation area and has been continuously used for a tax exempt purpose since the date the allocation area was designated; or (2) was donated for a tax exempt purpose: (A) Unless it is upon the request of the owner of the property, impose a payment in lieu of taxes (PILOT) or other charge or user fee on the property. (B) Unless it is upon the request of the owner of the property, enter into an agreement requiring a PILOT or other charge or user fee on the property as a condition of granting, issuing, or approving certain permits or zoning approvals, or as a condition of continuing governmental services to the property. (C) Unless it is upon the request of the owner of the property, require a person to limit the person's rights to challenge the imposition of a PILOT or other charge or user fee or the assessment of property taxes imposed on the property.

- Provides that an impact fee may not be imposed on the property, unless it is upon the request of the owner of the property.
- Specifies that these restrictions do not prohibit the imposing of utility fees or charges, sewer fees or charges, ditch or drainage assessments, storm water fees or charges, or waste collection or disposal fees or charges

State and Local Matters (HEA 1215, P.L. 202)

Author: Robert Cherry, R-Greenfield

Sponsor: Michael Crider, R-Greenfield

- Permits a historic preservation or rehabilitation grant to be awarded at the time plans are approved.
- Requires a grant contract between the office of community and rural affairs and the person receiving the grant.
- Provides that the grant may be up to 35%, instead of 20%, of the qualified expenditures, but the grant may not exceed \$100,000.
- Provides that if the grant applicant is a nonprofit organization facilitating a qualified affordable housing project, the organization does not have to be the owner of the historic property to receive a grant.
- Provides that the fiscal body of a municipality may renew an enterprise zone for an additional one year following the date on which the enterprise zone is set to expire under a 5 year renewal resolution previously adopted by the fiscal body of the municipality.
- Eliminates the provision in current law that a heritage barn may not be used for business or agricultural purposes in order to qualify for the heritage barns property tax exemption.
- Amends the definition of "heritage barn" to specify that a heritage barn means a mortise and tenon barn.
- Urges the legislative council to assign the study of the personal property audit process to the interim study committee on fiscal policy during the 2016 interim.
- Recognizes a conflict between SEA 21-2016 that amends IC 5-28-11-10 to remove an obsolete provision and SEA 378-2016 that repeals IC 5-28-11.
- Provides that the general assembly intends to repeal IC 5-28-11

State and Local Administration (HEA 1290, P.L. 204)

Author: Tim Brown, R-Crawfordsville

Sponsor: Brandt Hershman, R-Buck Creek

IACT Comments: While there are many provisions in HEA 1290, IACT specifically worked on the language in the bill dealing with Redevelopment Commission (RDC) funds. Last session, legislation was passed in SEA 118-2015 which required a unit's fiscal officer to be the treasurer of its RDC. When clerk-treasurers and controllers took over these duties, some merged RDC monies into the unit's general account which was concerning to legislators. The language passed

in HEA 1290 requires steps for greater transparency to insure that RDC funds are accounted for separately and are fully accessible to the RDC.

- Reorganizes the statutes concerning riverboat admissions tax distributions by: (1) moving distribution provisions for the Lake County riverboats into a new section organized by riverboat; and (2) moving into a new section provisions concerning the use of admissions tax revenue and the supplemental distribution.
- Allocates the admissions tax revenue that is paid to the northwest Indiana redevelopment authority (RDA) in satisfaction of Lake County's obligations to the authority equally among the four riverboats operating in Lake County.
- Changes the deadline for paying the supplemental distribution from September 15 to July 15.
- Provides for quarterly payments of admission taxes used to reimburse the state for certain income tax credits provided in Lake County and to provide additional funding to the authority.
- Eliminates the requirement that admissions taxes paid to the Lake County convention and visitor bureau be deposited in a county convention and visitor promotion fund.
- Provides that the economic development projects that may be carried out by the RDA include destination based economic development projects that meet certain conditions.
- Provides that the RDA may make loans, loan guarantees, and grants or provide other financial assistance to or on behalf of a member municipality that meets certain requirements.
- Authorizes the department of local government finance (DLGF) to incorporate by reference in an administrative rule certain formatting, coding, and transmission requirements for data that must be submitted by counties.
- Provides that the treasurer of state shall discharge any remaining unpaid interest on the obligation issued by the capital improvement board to the treasurer of state in 2009, if the capital improvement board submits payment of the principal amount to the treasurer of state before the stated final maturity of that obligation.
- Specifies that for purposes of the industrial recovery tax credit, "industrial recovery site" means land on which a vacant plant having at least 100,000 square feet of total floor space: (1) exists as of the date an application is filed with the Indiana economic development corporation (IEDC) and was placed in service at least 15 years before the date on which an application is filed with the IEDC; or (2) existed five years before the date an application is filed with the IEDC and was placed in service at least 15 years before the date on which the vacant plant was demolished.
- Deletes from current law the process involving an application to the IEDC for designation of a location as an industrial recovery site.
- Provides that if the IEDC approves a taxpayer's application for an industrial recovery tax credit, the IEDC shall require the applicant to enter into an agreement as a condition of receiving a tax credit.

- Repeals provisions enacted in 2015 concerning the assessment of: (1) certain limited market or special purpose property; and (2) commercial nonincome producing real property.
- Provides that in addition to the factors under current law, the DLGF shall also provide for the classification of improvements on the basis of market segmentation.
- Provides that a holder of a tax sale certificate may not bring a property tax appeal.
- Updates the definition of the Internal Revenue Code to incorporate changes made by Congress through January 1, 2016.
- Provides for refund of any gasoline tax paid on a fuel blend nominally consisting of more than 89% ethanol and less than 11% gasoline.
- Reestablishes the county misdemeanor fund formula that was repealed by HEA 1006-2015.
- Provides that an initial award from the safety PIN (protecting Indiana's newborns) grant fund may be up to 60% of the total approved grant amount.
- Specifies that the 2015 budget act appropriation from the tobacco master settlement agreement fund to the safety PIN program is to be deposited in the safety PIN grant fund and that any unused appropriation remains in the safety PIN grant fund.
- Specifies that the following apply to funds of redevelopment commissions: (1) The funds must be accounted for separately and the daily balance of the funds must be maintained in a separate ledger statement. (2) The funds must be accessible to the redevelopment commission at any time, unless this requirement is waived by the redevelopment commission. (3) The amount of the daily balance of the funds must not be below zero at any time. (4) The funds may not be maintained or used in a manner that is intended to avoid the procedures and requirements for a waiver.
- Provides that a fiscal body of a unit may request approval from the redevelopment commission to waive the requirement that all funds must be accessible to the redevelopment commission.
- Provides that, if a loan is made to a unit from the funds, the loan must be repaid by the unit not later than the end of the calendar year.
- Specifies additional information that must be reported by each redevelopment commission to the unit's executive and fiscal body and to the DLGF.
- Allows certain property taxpayers to file for a property tax exemption if the property would have qualified for the exemption if an exemption application had been timely filed.

Various Alcohol, Tobacco, and E-liquid Matters (HEA 1386, P.L. 214)

Author: Tom Dermody, R-LaPorte

Sponsor: Ron Alting, R- Lafayette

- Allows, if certain conditions are met, the holder of a retailer permit that is issued for the premises of a hotel that is owned by an accredited college or university to sell or dispense, for on premise consumption only, alcoholic beverages from a: (1) nonpermanent bar that is located on; or (2) service window located on the licensed premises that opens to; an

outside area or terrace that is contiguous to the main building of the licensed premises of the hotel.

- Allows the refilling of a bottle or container with a product from a farm winery.
- Allows the holder of an artisan distiller's permit to: (1) sell liquor for carryout on Sunday in a quantity at any one time of not more than four and five-tenths liters; and (2) with the approval of the alcohol and tobacco commission (commission), to participate in a trade show or an exposition for not more than 45 days in a calendar year.
- Clarifies that the holders of artisan distiller's permits, microbrewery permits, and farm winery permits may participate with one another in a trade show or exposition.
- Adds violations of certain tobacco and cigarette laws to the list of laws for which the commission may investigate and enforce penalties.
- Allows the commission to: (1) investigate; (2) enforce penalties; and (3) suspend or revoke tobacco sales certificates for failing to pay a civil penalty; if a certificate holder sells or distributes tobacco products or electronic cigarettes at a location determined to be a public nuisance or at which conduct or acts that are prohibited under IC 35 occur.
- Allows an alcoholic beverage permittee (permittee) or employee of the permittee to retain a driver's license, identification card, or government issued document (ID card) that is provided as proof of age for making an alcoholic beverage purchase, if the permittee has: (1) received alcohol server training; and (2) a reasonable belief that the ID card has been altered, falsified, or was not issued to the person who provided the card.
- Establishes requirements concerning retaining an ID card.
- Provides that the permittee is immune from civil or criminal liability for retaining an ID card, unless the permittee obtains the ID card by using force against the person.
- Allows the commission to issue, if certain conditions are met, a temporary beer permit for a festival or event to a person who has held a brewer's permit for a microbrewery for at least three years and meets other requirements.
- Amends the definition of "hotel," for purposes of the alcoholic and tobacco laws, to allow a hotel to have at least 25 separate sleeping rooms under separate roofs if certain conditions are met. (Current law defines a hotel as having at least 25 separate sleeping rooms under one continuous roof.)
- Provides that the department of natural resources (department) may apply for a three-way permit for a state park.
- Provides that the commission shall issue a permit to the department for a state park without: (1) publication of notice or investigation before a local board; and (2) regard to quota provisions.
- Provides that an annual permit fee for a three-way permit for a state park is \$250.
- Allows the holder of a club permit to designate one or more days in each calendar month as guest days, not to exceed a total of four guest days in any calendar month (instead of one day each week).
- Provides that the holder of a three-way permit that is issued to a premises located at a facility used in connection with the operation of a paved track more than two miles in length may sell sealed bottles of liquor or wine for consumption off the licensed premises:

(1) from one or more locations on the premises; and (2) on the date of the Indianapolis 500 Race in the 2016 calendar year from 7 a.m., prevailing local time, to 7 p.m., prevailing local time.

- Requires the: (1) holder of the three-way permit to disclose to the commission, at least 14 days before the Indianapolis 500 Race, that the holder intends to sell the bottles; and (2) bottles to be decorative bottles commemorating the one hundredth anniversary of the Indianapolis 500 Race.
- Provides that if a permit holder: (1) holds one-way, two-way, or three-way permits that are issued, without regard for quota restrictions, for certain premises; and (2) holds a permit for a microbrewery that is located on or adjacent to those premises; the permit holder may sell, at those premises, beer manufactured at the microbrewery.
- Adds one additional three-way permit to the number of three-way permits that the commission may issue to the proprietor of a restaurant within or not more than 1,500 feet from a motorsports investment district.
- Prohibits the commission from issuing a beer dealer's permit to a package liquor store unless the proprietor of the package liquor store satisfies Indiana resident ownership requirements.
- Amends the ownership residency requirements for the issuance of an alcoholic beverage dealer's permit to a corporation, limited partnership, or limited liability company for the premises of a package liquor store.
- Allows the commission to renew or transfer ownership of an alcoholic beverage dealer's permit of any type for the holder of a dealer's permit who: (1) held the permit for the premises of a package liquor store before January 1, 2016; and (2) does not qualify for the permit under the amended residency requirements.
- Allows the holder of a retailer's permit issued for the premises of a hotel or restaurant to temporarily amend floor plans to use a banquet or gathering space to sell or dispense alcoholic beverages from a temporary bar or service bar.
- Allows the commission to issue four new three-way permits to sell alcoholic beverages for on-premises consumption to applicants in Whitestown, Lebanon, Zionsville, Westfield, Carmel, and Fishers, with the total number of active permits issued not exceeding 24 permits at any time.
- Provides that the cost of the initial permits are \$40,000.
- Clarifies certain requirements regarding security firm requirements for e-liquid mixing, bottling, packaging, or selling.

Fresh Food Initiative (SEA 15, P.L. 14)

Author: Randy Head, R-Logansport

Sponsor: Julie Olthoff, R-Merrillville

- Urges the legislative council to assign to an appropriate study committee the topics related to the establishment of a food desert grant and loan program.

Obsolete Statutes (SEA 21, P.L. 121)

Author: Rodric Bray, R-Martinsville

Sponsor: John Price, R-Greenwood

- Repeals or expires various provisions in the Indiana Code containing the following: (1) Reporting requirements that have been completed, including the following: (A) A 2013 report by the commission for higher education concerning study and evaluation of postsecondary education issues. (B) A 2008 plan for a display commemorating black citizens. (C) A 2008 plan for a bust of Benjamin Harrison. (D) A 2012 report concerning 911 and enhanced 911. (E) A 2011 report concerning the auditor of state progress in complying with requirement for state agency access to financial data. (F) A 2011 report on commission for higher education progress in complying with requirement for state education institution access to financial data. (G) A 2011 report concerning the department of local government finance progress in complying with requirement for local unit access to financial data. (H) An economic development corporation report concerning economic sectors to be emphasized in geographic regions. (I) A report series ending in 2014 concerning economic development corporation collaboration with local economic development organizations. (J) Office of management and budget review and recommendations for 2015 legislation. (K) A 2015 commission for higher education report concerning the effect of the minority teacher scholarship program. (L) A 2010 department of labor report concerning employee classification recommendations. (M) An evaluation and report concerning Indianapolis police consolidation completed in 2014. (2) The statute that, until July 1, 2014, provided for local governmental units to purchase health insurance coverage through the state personnel department. (3) Transitional language related to the 2005 abolishment of the professional standards board and the creation of the division of professional standards within the department of education. (4) The northern Indiana regional transportation district statute that is dependent on a 2009 referendum that did not pass.
- Removes Military Park from the statute authorizing the city of Indianapolis to use and operate Military Park and University Square in Indianapolis.
- Strikes obsolete references to audit reports that were removed from the Indiana Code in 2015.
- Makes conforming amendments. (The introduced version of this bill was prepared by the interim study committee on government.)

Special Permits (SEA 169, P.L. 131)

Author: Ron Alting, R- Lafayette

Sponsor: Shawn Eberhart, R-Shelbyville

- Provides that if a permit holder: (1) holds one-way, two-way, or three-way permits that are issued, without regard for quota restrictions, for certain premises; and (2) holds a permit

for a microbrewery that is located on or adjacent to those premises; the permit holder may sell, at those premises, beer manufactured at the brewery.

- Adds one additional three-way permit to the number of three-way permits that the alcohol and tobacco commission may issue to the proprietor of a restaurant within or not more than 1,500 feet from a motorsports investment district.

Regulation of Private Clubs (SEA 172, P.L. 132)

Author: Vaneta Becker, R-Evansville

Sponsor: Wendy McNamara, Mount Vernon

- Allows the holder of a club permit to designate one or more days in each calendar month as guest days, not to exceed a total of four guest days in any calendar month (instead of one day each week).

Alcoholic Beverage Matters (SEA 177, P.L.133)

Author: Mark Messmer, R-Jasper

Sponsor: Matthew Lehman, R-Berne

- Prohibits the Indiana Alcohol and Tobacco Commission (ATC) from issuing a beer dealer's permit to a package liquor store unless the proprietor of the package liquor store satisfies Indiana resident ownership requirements.
- Amends the ownership residency requirements for the issuance of an alcoholic beverage dealer's permit to a corporation, limited partnership, or limited liability company for the premises of a package liquor store.
- Allows the ATC to renew or transfer ownership of an alcoholic beverage dealer's permit of any type for the holder of a dealer's permit who: (1) held the permit for the premises of a package liquor store before January 1, 2016; and (2) does not qualify for the permit under the amended residency requirements.
- Allows the refilling of a bottle or container with: (1) hard cider in an establishment that manufactures hard cider. (2) a product from a farm winery.
- Allows the holder of a retailer's permit issued for the premises of a hotel or restaurant to temporarily amend floor plans to use a banquet or gathering space to sell or dispense alcoholic beverages from a temporary bar or service bar.
- Allows, if certain conditions are met, the holder of a retailer's permit that is issued for the premises of a hotel that is owned by an accredited college or university to sell or dispense, for on premises consumption only, alcoholic beverages from a: (1) nonpermanent bar that is located on; or (2) service window located on the licensed premises that opens to; an outside area or terrace that is contiguous to the main building of the licensed premises of the hotel.
- Provides that a holder of a retailer's permit that is issued to a restaurant may sell or dispense alcoholic beverages from a service window that opens to an outside patio or terrace.

Measuring School and School Corporation Performance (SEA 200, P.L.1)

Author: Dennis Kruse, R-Auburn

Sponsor: Robert Behning, R-Indianapolis

- Provides that a school's or school corporation's category or designation of performance for the 2014-2015 school year may not be lower than the grade assigned to the school or school corporation by the State Board of Education for the 2013-2014 school year.
- Provides that for purposes of determining whether a Choice Scholarship school has become newly eligible for consequences based on the school's category or designation of performance, the Indiana Department of Education may not apply the consequences unless the school is placed in the lowest category or designation for the 2014-2015 school year.

Land Banks (SEA 232, P.L.211)

Author: Tim Lanane, D-Anderson

Sponsor: John Price, R-Greenwood

IACT Comments: SEA 232 allows a County or Second Class City to create a land bank to address distressed real property. We had a great deal of feedback from Third Class cities and towns that they would like to see this legislation open for all municipalities however, during discussions with the bill's author and sponsor they felt that to broaden the language at that time would not have been able to garner enough support to pass the bill. IACT plans to address this in future sessions and work to extend this valuable resource for all municipalities.

- Authorizes a county, consolidated city, or second class city to which the Unsafe Building Law applies to establish a municipal corporation known as a land bank to manage and improve the marketability of distressed real property in the county or city that establishes the land bank.
- Provides that the land bank's bylaws must require the land bank board to approve any conveyance of real property in an open meeting and consider any pertinent information regarding the property's value or the financial ability of a person before approving a conveyance.
- Allows the land bank to enter into an agreement that conditions the purchase, transfer, or lease of property upon the person fulfilling conditions related to the mission of the land bank.
- Provides that the material failure of a person to fulfill the agreement may void the purchase, transfer, or lease, unless the land bank grants the person additional time to comply with the agreement.
- Specifies that the procedures for disposal of real or personal property by a local government do not apply to the land bank.

Sale of Carryout at the Indianapolis 500 Race (SEA 294, P.L.140)

Author: Ron Alting, R-Lafayette

Sponsor: Tom Dermody, R-LaPorte

- Provides that the holder of a three-way permit that is issued to a premises located at a facility used in connection with the operation of a paved track more than two miles in length may sell sealed bottles of liquor or wine for consumption off the licensed premises: (1) from one or more locations on the premises; and (2) on the date of the Indianapolis 500 Race in the 2016 calendar year from 7 a.m. prevailing local time to 7 p.m. prevailing local time.
- Requires the holder of the three-way permit to disclose to the Indiana Alcohol and Tobacco Commission at least 14 days before the Indianapolis 500 Race that the holder intends to sell the bottles, which must be decorative bottles commemorating the one hundredth anniversary of the Indianapolis 500 Race.

Appraisal and Real Estate Brokers (SEA 300, P.L.45)

Author: Phil Boots, R-Crawfordsville

Sponsor: Kevin Mahan, R-Hartford City

- Removes the requirement that property sold at sheriff's sale be appraised.
- Adds to the existing list of acts that are exempt from the statute governing the licensure of real estate brokers the performance of an evaluation of real property by a financial institution in connection with a transaction for which the financial institution would not be required to use the services of a state licensed appraiser under regulations adopted under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Workforce Education (SEA 301, P.L.141)

Author: Luke Kenley, R-Noblesville

Sponsor: Todd Huston, R-Fishers

- Requires the Indiana Department of Workforce Development (DWD) to prepare before July 1, 2016 an Occupational Demand Report regarding the expected workforce needs of employers for a 10-year projection and the training and education that will be required to meet those expected workforce needs.
- Requires the DWD to categorize these workforce needs and training and education requirements by job classification on a statewide basis and also for each region designated under the federal Workforce Innovation and Opportunity Act of 2014 (WIOA).
- Provides that in preparing the Labor Market Demand Report and the Average Wage Level Report used in determining school funding for career and technical education, the DWD shall consider the information included in the Occupational Demand Report.

- Requires the DWD, with the assistance of the Indiana Commission for Higher Education (CHE), Ivy Tech Community College (Ivy Tech), the Indiana Department of Education (DOE), and local workforce development boards, to do the following for each region designated under the WIOA: (1) Prepare an inventory of the career and technical education courses available to students attending high school in the region and of the certification courses provided by Ivy Tech in the region. (2) Identify any gaps or imbalances between the career and technical education courses and certification courses offered and the workforce needs and training and education requirements in the region.
- Requires the DWD, with the assistance of the CHE, Ivy Tech, and local workforce development boards, to annually: (1) develop recommendations concerning the career and technical education courses and courses leading to a certification that should be offered at high schools within each region designated under the WIOA; (2) report to the State Budget Committee before January 1 of each year concerning the recommendations; and (3) report the recommendations to the board of trustees, administration, and faculty of Ivy Tech at a meeting scheduled by the Ivy Tech Board of Trustees.
- Requires the DOE and the DWD to prepare a report containing certain information for each high school and each school corporation for the immediately preceding school year.
- Specifies that a Regional Works Council may develop an alternative career, technical, or vocational educational curriculum for high school students in its region in order to provide a curriculum that is aligned with the workforce needs of the region as described in the Occupational Demand Report. (Current law allows a Regional Works Council to develop an alternative curriculum under certain circumstances, and requires approval by the Indiana State Board of Education (SBOE) before the alternative curriculum may be implemented.)
- Requires the SBOE to consider the workforce needs and training and education requirements reported by the DWD when the SBOE makes revisions to its long-range state plan for secondary level career and technical education programs.
- Provides that in carrying out its duties to match education and training programs with current and future needs of the state's job market, the Indiana Career Council shall consider the workforce needs and training and education requirements reported by the DWD.
- Requires the CHE, in consultation with the DWD, to develop and recommend funding amounts and performance metrics that reward workforce training programs that are not included in the postsecondary performance funding formula.
- Provides that these funding amounts and performance metrics must be aligned with the workforce needs and training and education requirements reported by the DWD.
- Requires the DWD, in consultation with the CHE and Ivy Tech, to develop a procedure for measuring certain outcomes for credential or degree completers and separately for current or previously enrolled students of Ivy Tech.
- Provides that the Ivy Tech Board of Trustees shall establish an administrative structure for Ivy Tech that provides the support necessary for: (1) workforce training programs, including programs designed for the direct entry of individuals into the workforce; and (2) programs to enhance the skills of workers.

- Requires advisory committees established by Ivy Tech to do the following: (1) Consider the workforce needs and training and education needs identified in the Occupational Demand Report prepared by the DWD. (2) Present to the Ivy Tech Board of Trustees any findings or recommendations of the advisory committee concerning those needs.
- Requires Ivy Tech to employ two vice presidents.
- Provides that before November 1, 2016 and each November 1 thereafter, Ivy Tech shall provide the State Budget Committee certain information for each of Ivy Tech's owned or operated campus locations or sites that offer ongoing academic programs and services.
- Requires Ivy Tech to annually report to the DWD concerning certificate programs available that are linked to third party certifications, including the enrollment, completion, and subsequent employment for students completing certificate programs.
- Requires Ivy Tech to annually report to the CHE, the DWD, and the Legislative Council concerning: (1) the elimination or restructuring of certain programs and services; (2) the development of courses and programs identified as being required to meet workforce needs; and (3) whether the resources available to Ivy Tech are sufficient.
- Requires the President of Ivy Tech to report each year concerning progress in the efforts to align courses and programs with the workforce needs and educational requirements within each Works Council Region.
- Requires the Ivy Tech Board of Trustees to do the following in its development and adoption of programs leading to a certificate and for workforce training programs: (1) Consider findings and recommendations that are submitted to the Board of Trustees by advisory committees. (2) Obtain and consider comments and input from Indiana employers and employer organizations. (3) Ensure that the programs are aligned with the primary purposes of Ivy Tech.
- Specifies that certain of these requirements sunset on July 1, 2020.

Lake County Pilot Program and Other Local Government Matters (SEA 310, P.L.183)

Author: Earline Rogers, D-Gary

Sponsor: Hal Slager, R-Schererville

- Establishes a three-year pilot program applicable only in Lake County, that authorizes a redevelopment commission to: (1) establish an area known as a New Opportunity Area; and (2) sell any property that is held by the redevelopment commission and located in a New Opportunity Area at auction to the highest responsible and responsive bidder.
- Makes changes to the statute concerning determination of serial tax delinquencies to provide that: (1) a petitioner is required to serve notice of a petition only on a person with a substantial property interest of public record (eliminating the need to serve notice on other appropriate parties); (2) a hearing date on a petition for a determination of serial tax delinquencies may be set not earlier than 30 days and not later than 60 days after the petition is filed (current law specifies that the hearing date may be set not earlier than 15 days and not later than 25 days after the petition is filed); and (3) property taxes and special assessments are removed from the tax duplicate as soon as an order is issued finding that

serial tax delinquencies exist with respect to the subject properties, regardless of whether the petitioner acquires a tax deed for the properties.

- Provides that a petitioner for a tax deed under the normal tax sale statute may (instead of must) include various items of documentation with the petition.
- Adds Kosciusko County to the list of counties whose municipalities may annex non-contiguous territory for industrial park purposes.

Local Government Budgeting (SEA 321, P.L.184)

Author: Pete Miller, R-Brownsburg

Sponsor: Todd Huston, R-Fishers

- Provides that for each budget year after 2018, the Indiana Department of Local Government Finance (DLGF) shall certify a political subdivision's budget, tax rate, and tax levy not later than: (1) December 31 of the year preceding the budget year, unless a taxing unit in a county is issuing debt after December 1 in the year preceding the budget year or intends to file a shortfall appeal; or (2) January 15 of the budget year, if a taxing unit in a county is issuing debt after December 1 in the year preceding the budget year or intends to file a shortfall appeal. (Under current law, these certifications must be completed not later than February 15 of the budget year.)
- Retains the November 1 deadline for a political subdivision to adopt a budget for the following year.
- Specifies that after 2017, the county auditor shall provide before June 1 an initial estimate of assessed valuations to political subdivisions within the county.
- For calendar years after 2017, changes: (1) the date by which a county must submit the coefficient of dispersion study and property sales assessment ratio study to the DLGF; (2) the date by which a political subdivision must submit to the DLGF a proposal to establish a cumulative fund; (3) the date by which the State Budget Agency must provide to the DLGF and county auditors an estimate of each county's local income tax distributions for the following year; and (4) the date by which the DLGF must estimate each taxing unit's distribution of local income tax for the following year.
- Changes other deadlines in the local budgeting process in order to conform to the December 31 deadline for DLGF certification of budgets, tax rates, and tax levies.
- Provides that the DLGF shall before July 15 of each year provide taxing units with an estimate of the maximum property tax levies that will apply for the ensuing calendar year.
- Provides that the DLGF must before August 1 of each year provide to each taxing unit an estimate of the amount by which the taxing unit's distribution of property taxes may be reduced by circuit breaker credits in the ensuing year.
- Provides that for a fund of a political subdivision subject to the levy limits, the DLGF shall calculate and certify the allowable budget of the fund if the political subdivision adopts a tax levy that exceeds the estimated maximum levy limits as provided by the DLGF.

- Specifies that for a fund subject to levy limits and for which the political subdivision adopts a tax levy that is not more than the levy limits, the DLGF shall review the fund to ensure the adopted budget is fundable based on the unit's adopted tax levy and estimates of available revenues.
- Requires the State Budget Agency provide the assessed value growth quotient (AVGQ) for the ensuing year to civil taxing units, school corporations, and the DLGF before July 1 of each year.
- Requires the DLGF to provide to political subdivisions before July 15 of each year after 2017 an estimate of: (1) the maximum property tax rate that may be imposed by the political subdivision for each cumulative fund or other fund for which a maximum rate is established; and (2) the property tax rates that must be imposed by the political subdivision in the following year for debt service.
- Provides that in formulating a political subdivision's estimated budget, the proper officers of the political subdivision must consider the net property tax revenue that will be collected by the political subdivision during the ensuing year, after taking into account the estimates by the department of local government finance of: (1) the amount by which the political subdivision's distribution of property taxes will be reduced by circuit breaker credits; and (2) the maximum amount of net property tax revenue and miscellaneous revenue that the political subdivision will receive in the ensuing year.
- Repeals the statutes concerning county fiscal body non-binding review of local budgets, tax levies, and tax rates and the non-binding review pilot project.
- Requires the county fiscal body to review the following at a public meeting: (1) The estimated levy limits provided by the DLGF. (2) The estimated circuit breaker credit impact on taxing units.
- Provides that after this meeting is held, the county fiscal body may prepare and distribute a written recommendation for taxing units in the county.
- For property taxes first due and payable after December 31, 2016, provides that the maximum appropriations for a community intellectual disability and other developmental disabilities center is equal to the maximum allowable appropriation by the county for the preceding year multiplied by the AVGQ.
- Specifies that a county shall fund the operation of community mental health centers (unless a lower tax levy amount will be adequate to fulfill the county's financial obligations, as provided under current law) in an amount equal to: (1) the maximum amount that could have been levied in the county in the preceding year (using the amount calculated under for this purpose in 2004 as the base amount); multiplied by (2) the county's AVGQ.
- Requires the DLGF to provide to counties before July 15 of each year an estimate of the maximum appropriation amount for the ensuing year.
- Provides that for purposes of determining the property tax levy limits, a county's or municipality's tax levy excludes all the taxes imposed for a county or municipal cumulative capital development fund.
- Requires the DLGF to provide annually to each county and municipality an estimate of: (1) the maximum tax rate that the county, city, or town may impose for a cumulative capital

development fund; and (2) the maximum amount of property taxes imposed for community mental health centers or community intellectual disability and other developmental disabilities centers that are exempt from the levy limits for the ensuing year.

- Requires the DLGF to make a one-time permanent adjustment to the levy limits equal to the amount of property taxes imposed on personal property of banks that became subject to assessment in 1989 (this amount is currently excluded under a separate statute).
- Repeals the statute providing that property taxes imposed by a county or municipality to pay supplemental juror fees (above the required amount) are exempt from the levy limits.
- Changes the date (from July 1 to June 15 of each year) by which a redevelopment commission must determine the amount, if any, of excess assessed value that may be allocated to the respective taxing units.
- Urges the Legislative Council to assign to an interim study committee the study of the procedures by which a political subdivision in a county may: (1) transfer the political subdivision's funds to another political subdivision located in the same county; and (2) transfer additional money from the political subdivision's other funds into the political subdivision's rainy day fund or general operating fund.

Individual Development Accounts (SEA 325, P.L.50)

Author: Mark Messmer, R-Jasper

Sponsor: Randy Truitt, R-West Lafayette

- Increases from 175% to 200% of the federal income poverty level the maximum annual income that an individual may have to qualify for an individual development account (IDA).
- Requires a qualifying individual to be an Indiana resident.
- Requires that a primary residence or business for which money is withdrawn from an IDA must be located or based in Indiana.
- Provides for use of money from an IDA for purchase of a motor vehicle.
- Removes the deadline for deposits to IDAs.
- Prohibits application of fees to an IDA.
- Provides that a community development corporation may apply to the Housing and Community Development Authority for an allocation of tax credits for contributors to an IDA Fund.
- Allows a community development corporation to approve a business plan before receiving the plan with a request for a withdrawal for use in connection with a business.
- Codifies current practices for allocation and claims of IDA tax credits.

Tax Sales and Tax Sale Properties (SEA 355, P.L.187)

Author: Rick Niemeyer, R-Lowell

Sponsor: Hal Slager, R-Schererville

- Provides that certain notices of tax sales may omit the descriptions of the properties to be offered for sale if: (1) the notice includes a statement indicating that descriptions of the properties and minimum bids are available on the Internet web site of the county government or the county government's contractor and in printed form upon request; and (2) the descriptions of the properties are made available on the county's Internet web site and in an electronic format, on a digital storage medium, or in printed form upon request.
- Provides that if a county auditor or county executive has published information concerning properties to be sold in a tax sale on the Internet web site of the county government or the county government's contractor, a person who requests information concerning descriptions of those properties in an alternative form may specify that the person prefers to receive the information in an electronic format, on a digital storage medium, or in printed form.
- Provides that if an owner of property that has been sold at a tax sale sells the property during the redemption period: (1) the amount the buyer must pay to redeem the property includes any excess amount that was paid by the winner bidder at the tax sale and that is being held in the Tax Sale Surplus Fund; (2) a county recorder may not record the conveyance document unless the buyer has redeemed the property; and (3) if the buyer does not redeem the property before the end of the redemption period, the conveyance is inoperable and void.
- Gives the Attorney General the power to enforce current law pertaining to agreements for compensation to locate, deliver, recover, or assist in the recovery of money deposited in a Tax Sale Surplus Fund with respect to real property as a result of a tax sale.
- Provides that when a governmental entity or the state becomes the owner of real property with unpaid property taxes, delinquencies, fees, special assessments, and penalties assessed against the real property, the Indiana Department of Local Government Finance may release the lien against the real property and cancel these assessments with respect to the governmental entity, the state, or a subsequent purchaser, regardless of whether the property taxes were assessed before or after the governmental entity or the state became the owner of the real property.
- Specifies that the cancellation of the assessments and the release of the corresponding lien does not affect the liability of any person that is personally liable for the assessments.

Indiana Economic Development Corporation (SEA 378, P.L.145)

Author: Carlin Yoder, R-Middlebury

Sponsor: Benjamin Smaltz, R-Auburn

- Provides that the Indiana Office of Small Business and Entrepreneurship may, in order to provide free access to the Office's services related to the Indiana Small Business Development Center, maintain: (1) a toll free telephone number; and (2) an Internet web page.

- Provides that the Indiana Economic Development Corporation (IEDC) may (instead of "shall" as under current law) maintain a Small Business Division to carry out its duties.
- Provides that, if the IEDC maintains a Small Business Division, the IEDC shall provide free access to the Division services through: (1) a toll free telephone number; and (2) an Internet web page.
- Repeals the Local Economic Development Organization Grant Program.
- Amends the definition of "qualified entity" for purposes of the Economic Development Fund to include a local economic development organization eligible for a grant under the Local Economic Development Organization Grant Program.
- Provides that the IEDC has certain powers concerning enterprise zones that would otherwise be entrusted to the board of the IEDC under current law.
- Provides that an enterprise zone business that fails to comply with certain annual reporting requirements to the IEDC waives the amount of the tax and exemption incentives available to the zone business for the preceding year, unless the zone business pays the IEDC a penalty, of the amount of the tax credit and exemption incentives for the preceding year, of: (1) an amount not to exceed 7% for the first instance of noncompliance; or (2) 15% for the second instance of noncompliance and each subsequent instance.(Under current law, the penalty amount is 15% for each instance of noncompliance.)
- Provides that the IEDC (and not the board of the IEDC as under current law) has certain powers and duties.
- Provides that the IEDC (and not the director of the IEDC as under current law) has certain duties.
- Repeals the definition of "director."
- Provides that, if the IEDC determines that a taxpayer is not in compliance with an Economic Development for a Growing Economy (EDGE) tax credit agreement, a Hoosier Business Investment (HBI) tax credit agreement, or a Hoosier Alternative Fuel Vehicle Manufacturer tax credit agreement, the IEDC shall, after giving the taxpayer an opportunity to explain the noncompliance: (1) notify the Indiana Department of Revenue (DOR) of the noncompliance; and (2) request that the DOR impose an assessment on the taxpayer as provided by the tax credit agreement. (Under current law, the DOR and the IEDC may make determinations concerning a taxpayer's noncompliance with a tax credit agreement.)
- Repeals outdated language and makes conforming amendments.

Redevelopment Commissions (SEA 380, P.L.55)

Author: Ryan Mishler, R-Bremen

Sponsor: Dale DeVon, R-Granger

IACT Comments: SEA 380 contains optional procedural changes for redevelopment commissions and redevelopment authorities. It allows these bodies to hold meetings and vote via electronic means where all participating members can simultaneously communicate. It also

changes the prerequisite for appointing the non-voting school board member on a redevelopment commission.

- Allows members of the following boards and commissions to vote at electronic meetings: (1) A redevelopment commission (in the case of Marion County, the metropolitan development commission acting as the redevelopment commission). (2) A board of directors of a redevelopment authority (in the case of Marion County, the board of directors of the county convention and recreational facilities authority). (3) A military base reuse authority.
- Requires the redevelopment commission or military base reuse authority to adopt policies governing member participation in electronic meetings of both the commission or authority and the redevelopment authority board of directors.
- Provides that a non-voting adviser appointed to a redevelopment commission may be an individual recommended by the school board to the appointing authority (instead of a member of the school board as under current law).

Environmental

[Regulation of Packaging Materials \(HEA 1053, P.L. 150\)](#)

Author: Ron Bacon, R-Chandler

Sponsor: Brent Steele, R-Bedford

IACT Comments: HEA 1053 prohibits local governments from passing ordinances that regulate plastic bags. This is clearly contrary to the principle of home rule, and IACT lobbied committee members in both the House and the Senate against the bill. Although we were only one vote shy of killing it in the Senate Commerce and Technology Committee, it went on to pass by large margins on the floor of both Houses. Anti-home rule legislation like this is a nationwide trend, promoted by organizations like the American Legislative Exchange Council. This particular bill also enjoyed the support of many powerful groups, including the State Chamber of Commerce and the Indiana Manufacturers Association.

- Amends the home rule statute to prohibit a local government unit from: (1) regulating: (A) certain activities with respect to reusable or disposable auxiliary containers designed for one time use or for transporting merchandise or food from food or retail facilities (auxiliary containers); or (B) a manufacturer of, a distributor of, or a food or retail facility that sells, provides, or otherwise makes use of, auxiliary containers, in connection with certain activities involving auxiliary containers; or (2) imposing any prohibition, restriction, fee, or tax with respect to auxiliary containers or to a manufacturer of, a distributor of, or a food or retail facility that sells, provides, or otherwise makes use of, auxiliary containers, in connection with certain activities involving auxiliary containers.

- Specifies that the prohibitions do not apply to: (1) curbside recycling programs or residential or commercial recycling locations in a unit; or (2) certain activities involving auxiliary containers at any event that: (A) is organized, sponsored, or permitted by a local government unit; and (B) takes place on property owned by the unit.
- Makes cross-references to: (1) these prohibitions concerning the regulation of auxiliary containers; and (2) an existing prohibition included in the home rule statute and concerning housing programs; in the section of the home rule statute that sets forth various limits on the powers of local government units.

Municipal Fees and Municipal Sanitary Sewer (HEA 1075, P.L. 107)

Author: Greg Beumer, R-Modoc

Sponsor: Vaneta Becker, R-Evansville

IACT Comments: Under previous Indiana law if a municipality was extending their sanitary sewer service outside of the corporate boundaries they could require a property owner to connect to the municipal sewer service. HEA 1075 now allows the property owner to remain on their functioning septic system or wetland system as long as they can provide a certification that their system is functional. The property owner may be allowed to remain on their septic system for as long as 20 years before connecting to the municipal system. The environmental concern is that a municipality will now need to plan for reserving plant capacity for an unknown time period. This will also greatly reduce our incentive to extend service to areas outside of corporate limits and lead to additional failing septic systems across the state.

- Provides that if a wastewater utility charges different rates for different classes of property based at least partially on consumption, the utility must charge a rental unit community a rate based at least partially on consumption.
- Provides that, despite a contrary administrative rule, a person who uses a wastewater management vehicle to remove wastewater from a customer's sewage disposal system need not show on the invoice provided to the customer: (1) the date on which the wastewater was removed; or (2) the amount of wastewater removed; if the sewage disposal system is a chemical toilet.
- Exempts a property owner from being required to connect to a municipality's sewer system and discontinue the use of the property owner's own sewage disposal system if: (1) the property is located outside the boundaries of the municipality; (2) the property owner's sewage disposal system is a septic tank soil absorption system or a constructed wetland septic system that was new at the time of installation and was approved in writing by the local health department; and (3) the property owner obtains a written determination from the local health department that the owner's sewage disposal system is not failing.
- Establishes a procedure and deadlines for applying for the exemption.
- Provides that the exemption is for 10 years beginning on the date on which the property owner's sewage disposal system was installed.

- Provides that an initial 10 year exemption may be renewed for not more than two additional five year periods as long as the conditions for the exemption continue to be met. Specifies that the total exemption period may not exceed 20 years.
- Provides that if ownership of the property is transferred during an exemption period, the exemption continues to apply to the property for the remainder of the exemption period and the transferee may apply for any exemption renewals for which the previous property owner would have been entitled to apply.
- Limits the amount that a property owner may be required to pay for connecting to the municipality's sewer system if the property owner, during an exemption period, consents to the connection.
- Provides that a person who gives a false report concerning a septic tank soil absorption system or constructed wetland septic system in order to qualify for the exemption, knowing the report to be false, commits false informing, a Class B misdemeanor.

Environmental Rules and Policies (HEA 1082) VETOED

Author: David Wolkins, R-Winona Lake

Sponsor: Ed Charbonneau, R-Valparaiso

IACT Comments: This bill was vetoed by Governor Pence.

- Requires the department of environmental management (IDEM) to report annually to the legislative council: (1) any administrative rule adopted by the environmental rules board (board) or proposed by IDEM; (2) any operating policy or procedure instituted or altered by IDEM; and (3) any nonrule policy or statement put into effect by IDEM; during the previous year that constitutes a change in the policy previously followed by IDEM under the provisions of IC 13 and the rules adopted by the board.
- Provides that, if notice given by IDEM concerning a proposed rule identifies an element of the proposed rule that imposes a restriction or requirement more stringent than a restriction or requirement imposed under federal law, the proposed rule does not become effective until the adjournment sine die of the regular session of the general assembly that begins after IDEM provides the notice.
- Provides an exception for the adoption of emergency rules in response to emergency situations.

Various Natural Resources Matters (HEA 1246, P.L. 111)

Author: Shawn Eberhart, R-Shelbyville

Sponsor: Susan Glick, R-LaGrange

- Removes from the natural resources commission duties to administer parts of the flood control program and the flood control revolving fund. (Current law provides that the Indiana finance authority (authority) administer the program and fund.)

- Provides that an application to have land classified as native forest land, a forest plantation, or wildlands must be handled by the county assessor. (Current law requires the county auditor to handle the applications.)
- Provides that a person who operates certain boats that do not have an aft light commits a Class C infraction.
- Prohibits the use of unmanned aerial vehicles to scout game during the period beginning 14 days before the beginning of the hunting season and ending upon the expiration of legal hunting hours on the last day of the hunting season.
- Changes the name of the public information and education division of the department of natural resources (DNR) to the communications division.
- Specifies the type of flotation device that a person on a boat or personal watercraft must have.
- Amends the list of law enforcement offices that may be notified of a boating accident.
- Provides that the violation of certain boating rules is a Class C infraction.
- Allows the operator of a nonregistered off-road vehicle or a snowmobile from another state or country to purchase a trail use tag to operate on designated trails and properties.
- Allows the director of DNR to authorize the taking of wild animals on historic site property if certain conditions are met.
- Removes DNR's authority to issue commemorative migratory waterfowl and game bird habitat restoration stamps.
- Allows the manager of a public use airport, or the manager's designee, to trap coyotes and migratory birds without a license if the coyotes or birds pose a threat to aircraft.
- Repeals the dog training ground permit statute.
- Removes a provision concerning the application of hunter orange requirements during certain hunting seasons.
- Provides that a ginseng dealer who purchases or sells ginseng for resale or exportation without a license commits a Class B misdemeanor.
- Amends certain lien procedures on complete projects to restore or prevent adverse effects of past coal mining practices on privately owned land.
- Adds conservancy districts and certain wastewater treatment systems to the participants that may qualify for loans or other financial assistance.
- Removes the total loan limit, loan period, and fixed interest rate to a participant.
- Allows the authority to establish interest rates for each loan.
- Increases the registration fees for timber buyers and agents of timber buyers.
- Repeals a provision concerning the transition of rulemaking authority from the natural resources commission to the Indiana finance authority with respect to the administration of the flood control revolving fund.

[Environmental Management Matters \(HEA 1300, P.L. 112\)](#)

Author: David Wolkins, R-Winona Lake

Sponsor: Eric Bassler, R-Washington

- Eliminates references to certain administrative rules that have been repealed.
- Revises the definition of the term "land application."
- Provides that the terms "land application operation" and "solid waste" apply to the chapter of the law on wastewater management.
- Changes the conditions under which the commissioner of the department of environmental management (department) may revoke a temporary variance from an environmental administrative rule.
- Revises a provision concerning the type of: (1) NPDES permit applications; and (2) applications to renew or modify NPDES permits; for which an antidegradation review is required.
- Requires the environmental rules board (board) to adopt rules concerning land application of solid waste and industrial waste products.
- Repeals a section providing for the expiration of the law on mercury switches in end of life vehicles.
- Changes, from December 31, 2015, to May 1, 2016, the date by which the commissioner of the department is required to submit a report summarizing the information obtained from recycling activity reports concerning the previous calendar year.
- Amends the law concerning the department's annual report on the implementation of the electronic waste law to provide that the report must discuss the total weight of covered electronic devices recycled during the previous program year (rather than fiscal year).
- Provides that the statute concerning environmental legal actions does not apply to an action brought by the state arising from a site considered a high priority site or the site of a release considered a high priority release under the rules of the board concerning priorities in the selection of hazardous substance response sites.
- Specifies that, under the law concerning rates and charges established by regional water, sewage, and solid waste districts, just and equitable rates and charges are those that give due consideration to the interests of the ratepayers.

Administrative Law Study Commission (SEA 1, P.L. 11)

Author: Brent Steele, R-Bedford

Sponsor: Gregory Steuerwald, R-Danville

- Establishes the 12 member administrative law study commission (commission) to study issues concerning whether administrative law judges and environmental law judges should be replaced by an administrative court that conducts administrative hearings and other duties currently conducted by administrative law judges and environmental law judges.
- Requires the commission to submit a final report to the legislative council concerning the commission's findings and recommendations before November 1, 2016.

Obsolete Statutes (SEA 21, P.L. 121)

Author: Rodric Bray, R-Martinsville

Sponsor: John Price, R-Greenwood

- Repeals or expires various provisions in the Indiana Code containing the following: (1) Reporting requirements that have been completed, including the following: (A) A 2013 report by the commission for higher education concerning study and evaluation of postsecondary education issues. (B) A 2008 plan for a display commemorating black citizens. (C) A 2008 plan for a bust of Benjamin Harrison. (D) A 2012 report concerning 911 and enhanced 911. (E) A 2011 report concerning the auditor of state progress in complying with requirement for state agency access to financial data. (F) A 2011 report on commission for higher education progress in complying with requirement for state education institution access to financial data. (G) A 2011 report concerning the department of local government finance progress in complying with requirement for local unit access to financial data. (H) An economic development corporation report concerning economic sectors to be emphasized in geographic regions. (I) A report series ending in 2014 concerning economic development corporation collaboration with local economic development organizations. (J) Office of management and budget review and recommendations for 2015 legislation. (K) A 2015 commission for higher education report concerning the effect of the minority teacher scholarship program. (L) A 2010 department of labor report concerning employee classification recommendations. (M) An evaluation and report concerning Indianapolis police consolidation completed in 2014. (2) The statute that, until July 1, 2014, provided for local governmental units to purchase health insurance coverage through the state personnel department. (3) Transitional language related to the 2005 abolishment of the professional standards board and the creation of the division of professional standards within the department of education. (4) The northern Indiana regional transportation district statute that is dependent on a 2009 referendum that did not pass.
- Removes Military Park from the statute authorizing the city of Indianapolis to use and operate Military Park and University Square in Indianapolis.
- Strikes obsolete references to audit reports that were removed from the Indiana Code in 2015.
- Makes conforming amendments. (The introduced version of this bill was prepared by the interim study committee on government.)

Underground Petroleum Storage Tanks (SEA 255, P.L.96)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: David Wolkins, R-Winona Lake

- Provides for the Underground Petroleum Storage Tank Excess Liability Trust Fund to be referred to as the "ELTF."

- Eliminates a provision stating that fees and penalties paid in connection with underground petroleum storage tanks are a source of funds for the ELTF. (Under IC 13-23-6-2 and IC 13-23-12-4, those fees and penalties are deposited in the Underground Petroleum Storage Tank Trust Fund, not in the ELTF.)
- Repeals IC 13-23-7-9, a provision under which knowingly or intentionally making a material misstatement in connection with an application for financial assistance from the ELTF is a Level 6 felony. (IC 13-23-9-6, a nearly identical provision, is not repealed.)
- Eliminates the authority of the Indiana Department of Revenue to impose a lien on the property of an underground storage tank owner for failure to pay annual registration fees.
- Eliminates certain conditions for the payment of claims from the ELTF and limits on the amounts that can be paid from the ELTF under certain circumstances, and provides instead that the administrator of the ELTF shall pay claims that are: (1) for costs related to "eligible releases"; (2) submitted by an "eligible party"; and (3) submitted in accordance with certain requirements.
- Provides that the administrator of the ELTF: (1) shall pay claims according to a certain priority payment system if the balance in the ELTF drops below \$25,000,000; and (2) shall cease paying claims if the balance in the ELTF becomes insufficient to pay ELTF claims and necessary personnel and administrative expenses.
- Prohibits the administrator of the ELTF from paying: (1) more than \$2,500,000 from the ELTF per eligible release; or (2) more than \$10,000,000 from the ELTF per fiscal year.
- Provides that the total amount otherwise available from the ELTF in connection with an eligible release shall be reduced by a "deductible amount" of \$15,000 and, if applicable, the sum of: (1) all annual registration fees for underground storage tanks located at the site of the eligible release that were due in 1991 or later and not paid in the year they were due; and (2) an additional \$1,000 for each underground storage tank annual registration fee not paid in the year it was due.
- Revises provisions concerning the procedure for submitting and paying claims for payment from the ELTF.
- Requires IDEM, using money from the ELTF, to arrange for an independent actuarial study examining the future obligations and fiscal sustainability of the ELTF once every five years.

Legitimate Use of Solid Waste and Waste Tires (SEA 256, P.L.97)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: David Wolkins, R-Winona Lake

- Defines "legitimate use" of a material as the use or reuse of a material, otherwise defined as a solid or hazardous waste, under which: (1) the material is used or reused in a manufacturing process or as a substitute for natural or commercial materials; and (2) the material is commercially valuable for an established or emerging market and is used or reused in a manner that does not pose an unreasonable threat to human health or the environment.

- Requires the Indiana Department of Environmental Management (IDEM) to develop proposed rules that: (1) provide for the legitimate use of solid and hazardous waste instead of its disposal; and (2) provide that a material being legitimately used is not considered a solid or hazardous waste.
- Requires the Environmental Rules Board to consult with IDEM concerning the regulation of solid waste and hazardous waste and authorizes the Environmental Rules Board to adopt rules establishing standards and procedures for the legitimate use, instead of disposal, of material otherwise defined as a solid or hazardous waste.
- Provides that any such rules adopted by the Environmental Rules Board shall provide that a material being legitimately used is not considered a solid or hazardous waste.
- Authorizes the Environmental Rules Board to adopt rules establishing standards and procedures for the legitimate use, instead of disposal, of waste tires.

Solid Waste Management Districts (SEA 366, P.L.189)

Author: Liz Brown, R-Fort Wayne

Sponsor: Matthew Lehman, R-Berne

IACT Comments: SEA 366 removes the statutory requirement for every County in Indiana to have Solid Waste Management District or to participate in a multi County SWMD. The large scale environmental concern is that if Counties decide to dissolve the SWMD, Cities and Towns will now be required to provide these services or return to the days when solid waste was being dumped along roadsides and in rivers. Many cities and Towns in the state depend on their SWMD to provide these services, however some IACT members felt that the SWMD is not providing these services to a satisfactory level and the municipalities are being required to pay into the programs while still providing the services. IACT remained neutral on the bill as our membership was divided.

- Provides that the requirement for each county to have a single-county solid waste management district or be a member of a joint solid waste management district expires July 1, 2017.
- Provides that after June 30, 2017: (1) a county may dissolve its single county solid waste management district if: (A) the county executive and county fiscal body adopt ordinances in favor of the dissolution of the district; and (B) the county legislative body follows the procedure by which a political subdivision that established another political subdivision may dissolve that other political subdivision; or (2) a county, by action of the county executive, may withdraw from a joint solid waste management district and adopt an ordinance exercising the county's right not to be designated as a county solid waste management district and not to join another joint solid waste management district.
- Provides that the expiration of the provision requiring all counties to have solid waste management districts does not affect a solid waste management district established before the expiration of the provision.

- Prohibits a member of the county executive, legislative body, or fiscal body from voting on the dissolution of the county's solid waste management district if the member is an employee of the district.
- Provides that, if a district is being dissolved: (1) any assets of the district that are not needed to satisfy the district's legal obligations shall be used by the county to provide the services previously provided by the district; (2) that the county may continue collecting fees collected by the district but is required to use the fee proceeds exclusively to provide services previously provided by the district; and (3) that if the district imposed a property tax levy, the authority of the district to impose the levy is transferred to the county but the county may use the taxes collected under the district's levy authority only for the purposes for which the district was authorized to use its levy.
- Provides that a county, city, town, or township does not have the power to dissolve another political subdivision except as expressly granted by statute, but establishes a procedure by which a political subdivision that established another political subdivision may dissolve that other political subdivision.
- Requires a political subdivision using this procedure to give public notice, hold a public meeting, provide opportunity for public comment, and create a plan concerning the dissolution, including an explanation of how the services provided by the entity to be dissolved will be provided after the entity is dissolved.

Municipal Finance

[Road Funding \(HEA 1001, P.L. 146\)](#)

Author: Edmond Soliday, R-Valparaiso

Sponsor: Luke Kenley, R- Noblesville

IACT Comments: HEA 1001 creates several new methods for funding infrastructure projects at the municipal level. First is the expansion of the wheel and excise surtax to municipalities with a population greater than 10,000 people. The wheel tax and excise surtax must be implemented jointly by ordinance and must be passed by June 30th in order for the fees to be collected in the following calendar year. The wheel and excise surtax may be implemented at the city and town level even if your municipality is located in a County that has an existing wheel and surtax in place. The wheel tax on large trucks, RV's and busses may generate up to \$40 per vehicle and the excise surtax on small cars and trucks may generate up to \$25 per vehicle.

The second new revenue mechanism for infrastructure funding is the INDOT Local Road and Bridge Matching Grant Program. INDOT is still working on the final details of the program but Cities, Towns and Counties will be able to use revenue from their rainy day funds, SEA 67 special distribution funds or new revenue from passing a wheel and excise surtax as a match for the program. These are the only approved sources to use as a match. The match will be a 1:1 match for LRS type projects with no minimum request and a maximum grant match of \$500,000. The

application process is expected to open in May with the first round of funds being distributed in the fall of 2016. The funding mechanism for the grants in 2016 will be provided from the state budget surplus and in the following years funding will be allocated from a portion of the sales tax collected on gasoline purchases.

- At the end of state fiscal year 2016, transfers state reserves that exceed 11.5% of general revenue appropriations as follows: (1) 55% to the state highway fund. (2) 45% to the local road and bridge matching grant fund.
- Provides that use tax collected on sales of gasoline is distributed differently than ordinary sales and use tax collections.
- Allows a county that uses a transportation asset management plan approved by the Indiana department of transportation to impose the county motor vehicle license excise surtax and the county wheel tax at higher rates.
- Authorizes an eligible municipality to impose a municipal motor vehicle license excise surtax and a municipal wheel tax.
- Provides for the deposit of certain excise taxes and local taxes collected under the tax amnesty program, including funding for a third regional cities project, thirteenth pension checks in 2016, and next generation Hoosier educators scholarships.
- Requires a transfer of \$100,000,000 from the state general fund to the state highway fund instead of to the major moves 2020 trust fund in state fiscal year 2017 and provides that the money transferred must be used only for preserving and reconstructing existing roads and bridges for which the department is responsible.
- Establishes the local road and bridge matching grant fund.
- Provides the following in the case of infraction judgments imposed in Clark County for toll violations after January 1, 2017: (1) The court shall impose a judgment of not less than \$35 for such an infraction judgment. (2) The funds collected for such an infraction judgment shall be transferred to a dedicated toll revenue fund created as part of the project and may be used only to pay the cost of operating, maintaining, and repairing the tolling system.
- Establishes the funding Indiana's roads for a stronger, safer tomorrow task force. Requires the task force to develop a long term plan for state highway and major bridge needs, including sustainable funding mechanisms for the various components of the plan.
- Makes appropriations for various highway and bridge maintenance purposes.
- Appropriates \$500,000 for the local technical assistance program to assist with the development and operation of local government transportation asset management plans and pavement management plans.

Food and Beverage Tax (HEA 1040, P.L. 194)

Author: Casey Cox, R-Fort Wayne

Sponsor: Dennis Kruse, R-Auburn

IACT Comments: While technical changes to certain food and beverage taxes were addressed in HEA 1040, unfortunately, the legislature did not pass a bill this year to allow locals to have blanket authority to adopt a food and beverage on their own without special state legislation.

- Provides that, subject to the duty to pay amounts pledged to the repayment of existing obligations, the existing uses of the Henry County food and beverage tax are optional rather than mandatory.
- Adds the construction, renovation, improvement, or repair of county roads to the list of capital improvements for which Henry County is authorized to use county food and beverage tax revenues.
- Removes obsolete provisions concerning the existing county capital improvements committee, which is abolished by current law on January 1, 2016.
- Establishes a county food and beverage tax advisory committee to make recommendations to the county fiscal body concerning the use of food and beverage tax revenue.
- Provides that the fiscal officer of any municipality in Allen County may request the county auditor to determine and report to the fiscal officer the percentage amount of the county supplemental food and beverage tax that is collected in the preceding year in: (1) each municipality; and (2) the unincorporated territory of the county.
- Provides that the county auditor may charge a municipality that makes a request for the supplemental food and beverage tax percentages in the preceding year for any direct costs associated with determining and reporting the information.

[Assessment Appeals \(HEA 1068, P.L. 196\)](#)

Author: Wes Culver, R-Goshen

Sponsor: Mark Messmer, R-Jasper

- Provides that, if the county property tax assessment board of appeals (PTABOA) fails to issue a determination concerning a petition to correct errors within 180 days after the petition is filed with the county auditor, the taxpayer may petition the Indiana board of tax review (Indiana board) to correct errors in a final administrative determination.
- Provides that, if the PTABOA fails to approve or disapprove an exemption application within 180 days after an owner files the exemption application, the owner may petition the Indiana board to approve or disapprove the exemption application.
- Provides that the Indiana board is authorized to approve or disapprove an exemption application: (1) previously submitted to a PTABOA; and (2) that is not approved or disapproved by the PTABOA within 180 days after the owner filed the application for exemption.
- Provides that the county assessor is a party to a petition to the Indiana board to approve or disapprove an exemption application.

Local Income Tax (HEA 1081, P.L. 197)

Author: Jeffrey Thompson, R-Lizton

Sponsor: Brandt Hershman, R-Buck Creek

IACT Comments: This bill made clean-up changes following the passage of HEA 1485-2015 – the comprehensive local income tax reform bill. IACT, along with other local government stakeholders sought changes in this bill to protect the local option income tax (LOIT) revenue stream for those local units with outstanding debt payable by a LOIT.

- Updates various laws to conform them to the new local income tax (LIT) law.
- Adds provisions concerning Lake, LaPorte, and Porter counties concerning the northwest Indiana regional development authority.
- Addresses the treatment of counties that had only the county economic development income tax regarding the property tax rate for cumulative capital development funds of counties and municipalities.
- Specifies provisions for the transition of a formerly adopted homestead credit under a county option income tax to a property tax relief rate under the new LIT.
- Adds provisions concerning expenditure rate allocations.
- Specifies that the auditor of state is to assist adopting bodies and county auditors in calculating credit percentages and amounts under all provisions of the LIT law.
- Adds provisions to the LIT law to incorporate changes that were adopted to the former income tax laws during the 2015 legislative session.
- Cures conflicts with 2015 enactments that refer to the former income tax laws and conflicts with SB 21-2016.
- Repeals obsolete and outdated provisions.
- Makes technical corrections.

Bureau of Motor Vehicle Omnibus Bill (HEA 1087, P.L. 198)

Author: Edmond Soliday, R-Valparaiso

Sponsor: Carlin Yoder, R-Middlebury

- Relocates and modifies the following after expiration or repeal: IC 9-14 (Bureau of Motor Vehicles). IC 9-15 (Bureau of Motor Vehicles Commission). IC 9-16 (License Branches). IC 9-18 (Registration). IC 9-24-6 (Commercial Driver's License). IC 9-29 (Fees) (other than IC 9-29-17 (Fees Under IC 9-32)).
- Establishes limits for convenience fees charged by full service and partial services providers.
- Changes distributions of various fees imposed by the bureau of motor vehicles.
- Replaces chauffeur's and public passenger chauffeur's licenses with for-hire endorsements.
- Establishes refund procedures for fees imposed by the bureau of motor vehicles.
- Amends provisions related to the closing of public railroad crossings.

- Codifies proposed rules of the Indiana department of transportation concerning unobstructed views at public rail-highway grade crossings.
- Excludes certain vehicles from inspections required for a certificate of title if certain conditions are satisfied.
- Provides for proof of ownership of a salvage vehicle by electronic signature on certain documents.
- Imposes conditions on the recovery of a vehicle license cost recovery fee by a rental company.
- Amends provisions related to the movement and sale of manufactured and mobile homes.
- Makes conforming amendments and technical corrections.

School Funding and Annual Performance Grants (HEA 1109, P.L. 151)

Author: Todd Huston, R-Fishers

Sponsor: Ryan Mishler, R-Bremen

- Extends through 2018 the eligibility of school corporations to allocate circuit breaker credits proportionately.
- Provides, with some exceptions, that if: (1) a school corporation in 2017 or 2018 issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy; and (2) the school corporation's total debt service levy in 2017 or 2018 is greater than the school corporation's debt service levy in 2016; the school corporation is not eligible to allocate circuit breaker credits proportionally.
- Extends the date to January 1, 2018, for using money in a school's capital projects fund for utility services and property and casualty insurance.
- Changes the submission date for a school corporation's fall average daily membership (ADM) estimates to April 1 of each year.
- Specifies, for a school corporation that fails to submit its ADM estimates by the deadline that the department is to compute the monthly support distributions using data that were used by the general assembly in determining the state tuition support appropriation for the budget act.
- Amends certain annual performance grant provisions that set forth the:(1) qualification requirements; and (2) grant amount; for annual performance grants.
- Requires review by the budget committee before the distribution of an annual performance grant to schools.
- Provides that the department of education (department), after review by the budget committee, may waive the deadline by which annual performance grants must be distributed to schools and approve an extension of that deadline to a later date within the state fiscal year.
- Repeals certain deadlines for a school to distribute the stipends from a performance grant received from the department to individual teachers.

- Provides that a school must distribute all stipends from a performance grant to individual teachers within 20 business days of the date the department distributes the performance grant to the school. (Under current law, a school must distribute stipends from a performance grant within 20 business days of receipt only in the state fiscal year beginning July 1, 2015, and ending June 30, 2016.)
- Provides that the appropriation of \$2,000,000 in the state budget for excellence in performance grants does not revert to the state general fund on June 30, 2016, but remains available for allotment if the state board of education approves the grants before July 1, 2016.

Business Personal Property Tax Exemption (HEA 1169, P.L. 199)

Author: Tom Saunders, R-Lewisville

Sponsor: Brandt Hershman, R-Buck Creek

- Replaces the requirement that a taxpayer that is eligible for the business personal property tax exemption submit to the county assessor a notarized statement each year affirming the taxpayer's eligibility for the exemption, subject to penalties for perjury, with a requirement that the taxpayer indicate on the taxpayer's personal property return that the taxpayer is eligible for the exemption for the assessment date.

PILOT's, Charges and Fees on Tax Exempt Property (HEA 1180, P.L. 200)

Author: Woody Burton, R-Whiteland

Sponsor: Dennis Kruse, R-Auburn

IACT Comments: Some municipalities have adopted policies that prohibit non-profits from locating in certain TIF areas unless the non-profits make Payments In Lieu of Taxes (PILOTs). These ordinances are put in place because it is imperative that only tax paying entities locate in a TIF area in order for bonds, used to fund improvements, to be paid. HB 1180 started as a bill to protect churches and religious schools from these types of ordinances. However, the bill was ultimately changed to only prohibit local governments from charging PILOTs to non-profits that were in their location prior to the TIF area being created, with certain exceptions.

- Provides that a political subdivision may not do any of the following with regard to tax exempt property that is located in a tax increment allocation area and either: (1) was located in the allocation area before the designation of the allocation area and has been continuously used for a tax exempt purpose since the date the allocation area was designated; or (2) was donated for a tax exempt purpose: (A) Unless it is upon the request of the owner of the property, impose a payment in lieu of taxes (PILOT) or other charge or user fee on the property. (B) Unless it is upon the request of the owner of the property, enter into an agreement requiring a PILOT or other charge or user fee on the property as a

condition of granting, issuing, or approving certain permits or zoning approvals, or as a condition of continuing governmental services to the property. (C) Unless it is upon the request of the owner of the property, require a person to limit the person's rights to challenge the imposition of a PILOT or other charge or user fee or the assessment of property taxes imposed on the property.

- Provides that an impact fee may not be imposed on the property, unless it is upon the request of the owner of the property.
- Specifies that these restrictions do not prohibit the imposing of utility fees or charges, sewer fees or charges, ditch or drainage assessments, storm water fees or charges, or waste collection or disposal fees or charges

Companion Animal Sterilization (HEA 1201, P.L. 201)

Author: Mike Karickhoff, R-Kokomo

Sponsor: Brandt Hershman, R-Buck Creek

IACT Comments: HEA 1201 requires cats and dogs in animal care facilities (including municipally-operated shelters) to be spayed or neutered before they may be adopted. Although municipally-operated facilities will see increased costs on the front end, there is data supporting the position that this will actually save money in the long term by reducing the costs associated with stray animals (e.g. police/fire runs and general animal control expenses).

- Authorizes the board of animal health to establish a registry of animal care facilities.
- Requires that beginning July 1, 2021, a dog or a cat in an animal care facility must be spayed or neutered before adoption from the facility.
- Defines "animal care facility" as an animal control center, an animal shelter, a humane society, or another animal impounding facility that has as its purpose the humane treatment of animals and that has dogs or cats that are available for adoption, including governmental and private entities and animal rescues.
- Exempts certain cats and dogs from the spay or neuter requirement.
- Requires that certain forfeited deposit amounts held by an animal care facility be remitted to the bureau of motor vehicles for deposit into a trust fund (established by the treasurer of state for a special group's license plate) for a special group that provides spay-neuter services.

State and Local Matters (HEA 1215, P.L. 202)

Author: Robert Cherry, R-Greenfield

Sponsor: Michael Crider, R-Greenfield

- Permits a historic preservation or rehabilitation grant to be awarded at the time plans are approved.

- Requires a grant contract between the office of community and rural affairs and the person receiving the grant.
- Provides that the grant may be up to 35%, instead of 20%, of the qualified expenditures, but the grant may not exceed \$100,000.
- Provides that if the grant applicant is a nonprofit organization facilitating a qualified affordable housing project, the organization does not have to be the owner of the historic property to receive a grant.
- Provides that the fiscal body of a municipality may renew an enterprise zone for an additional one year following the date on which the enterprise zone is set to expire under a 5 year renewal resolution previously adopted by the fiscal body of the municipality.
- Eliminates the provision in current law that a heritage barn may not be used for business or agricultural purposes in order to qualify for the heritage barns property tax exemption.
- Amends the definition of "heritage barn" to specify that a heritage barn means a mortise and tenon barn.
- Urges the legislative council to assign the study of the personal property audit process to the interim study committee on fiscal policy during the 2016 interim.
- Recognizes a conflict between SEA 21-2016 that amends IC 5-28-11-10 to remove an obsolete provision and SEA 378-2016 that repeals IC 5-28-11.
- Provides that the general assembly intends to repeal IC 5-28-11

Various Property Tax Matters (HEA 1273, P.L. 203)

Author: Dan Leonard, R-Huntington

Sponsor: Ryan Misher, R-Bremen

- Requires assessing officials to maintain geographic information system characteristics of real property parcels and to transmit that data annually to the geographic information office of the office of technology.
- Provides that personal property is exempt from property taxation if it is owned by a homeowners association and is held by the homeowners association for the use, benefit, or enjoyment of members of the homeowners association.
- Provides that a county auditor may accept a deduction application for a property tax abatement deduction only if the designating body has specified an abatement schedule for the deduction.
- Prohibits a taxing unit from transferring property tax receipts to the property tax assessment appeals fund if the property tax receipts are: (1) held in a debt service fund; or (2) treated as levy excess.
- Removes phrasing to emphasize that a political subdivision may not base an excess levy appeal on normal population growth.
- Removes obsolete provisions concerning excess levy appeals by political subdivisions.
- Modifies certain responsibilities of the division of data analysis of the department of local government finance.

- Authorizes the fiscal body of a township that is located next to certain counties or townships to pass a resolution to place on the ballot a local public question on whether the fiscal body of the eligible county should be required to fund and carry out a public transportation project in the township.
- Provides that if a public question regarding public transportation projects is defeated in a township, the fiscal body of the township may adopt a resolution to place another such public question on the ballot at a subsequent general election in the township, but specifies that such a public question may not be placed on the ballot in the township more than two times in any seven year period.
- Specifies the conditions under which a county fiscal body may impose an additional tax rate on county taxpayers who reside in a township that approves a local public question.
- Authorizes the provider unit in a fire protection territory to negotiate for and hold debt for the equipment replacement fund of a fire protection territory.
- Authorizes a participating unit in a fire protection territory to acquire fire protection equipment or other property and make the property available to the provider unit.
- Specifies the adjustments to the maximum permissible levy for a unit that ceases participation in a fire protection territory.
- Specifies the minimum number of taxpayers that must object to the imposition or increase of a tax rate for an equipment replacement fund of a fire protection territory.
- Authorizes a library to issue library cards at no charge to college students who attend a college in the library district.
- Requires a library to prorate the cost of a library card that is valid for less than one year.
- Allows a nonprofit entity that missed the applicable deadlines to claim the property tax exemptions to which it would otherwise have been entitled to submit the necessary paperwork to claim the exemptions.
- Repeals a provision authorizing a county fiscal body to adopt an ordinance to allow local agencies to require a person applying for a property tax exemption, a property tax deduction, a zoning change or zoning variance, a building permit, or any other locally issued license or permit to submit a uniform property tax disclosure form with the person's application for the property tax exemption, property tax deduction, zoning change or zoning variance, building permit, or other locally issued license or permit.

State and Local Administration (HEA 1290, P.L. 204)

Author: Tim Brown, R-Crawfordsville

Sponsor: Brandt Hershman, R-Buck Creek

IACT Comments: While there are many provisions in HEA 1290, IACT specifically worked on the language in the bill dealing with Redevelopment Commission (RDC) funds. Last session, legislation was passed in SEA 118-2015 which required a unit's fiscal officer to be the treasurer of its RDC. When clerk-treasurers and controllers took over these duties, some merged RDC monies into the unit's general account which was concerning to legislators. The language passed

in HEA 1290 requires steps for greater transparency to insure that RDC funds are accounted for separately and are fully accessible to the RDC.

- Reorganizes the statutes concerning riverboat admissions tax distributions by: (1) moving distribution provisions for the Lake County riverboats into a new section organized by riverboat; and (2) moving into a new section provisions concerning the use of admissions tax revenue and the supplemental distribution.
- Allocates the admissions tax revenue that is paid to the northwest Indiana redevelopment authority (RDA) in satisfaction of Lake County's obligations to the authority equally among the four riverboats operating in Lake County.
- Changes the deadline for paying the supplemental distribution from September 15 to July 15.
- Provides for quarterly payments of admission taxes used to reimburse the state for certain income tax credits provided in Lake County and to provide additional funding to the authority.
- Eliminates the requirement that admissions taxes paid to the Lake County convention and visitor bureau be deposited in a county convention and visitor promotion fund.
- Provides that the economic development projects that may be carried out by the RDA include destination based economic development projects that meet certain conditions.
- Provides that the RDA may make loans, loan guarantees, and grants or provide other financial assistance to or on behalf of a member municipality that meets certain requirements.
- Authorizes the department of local government finance (DLGF) to incorporate by reference in an administrative rule certain formatting, coding, and transmission requirements for data that must be submitted by counties.
- Provides that the treasurer of state shall discharge any remaining unpaid interest on the obligation issued by the capital improvement board to the treasurer of state in 2009, if the capital improvement board submits payment of the principal amount to the treasurer of state before the stated final maturity of that obligation.
- Specifies that for purposes of the industrial recovery tax credit, "industrial recovery site" means land on which a vacant plant having at least 100,000 square feet of total floor space: (1) exists as of the date an application is filed with the Indiana economic development corporation (IEDC) and was placed in service at least 15 years before the date on which an application is filed with the IEDC; or (2) existed five years before the date an application is filed with the IEDC and was placed in service at least 15 years before the date on which the vacant plant was demolished.
- Deletes from current law the process involving an application to the IEDC for designation of a location as an industrial recovery site.
- Provides that if the IEDC approves a taxpayer's application for an industrial recovery tax credit, the IEDC shall require the applicant to enter into an agreement as a condition of receiving a tax credit.

- Repeals provisions enacted in 2015 concerning the assessment of: (1) certain limited market or special purpose property; and (2) commercial nonincome producing real property.
- Provides that in addition to the factors under current law, the DLGF shall also provide for the classification of improvements on the basis of market segmentation.
- Provides that a holder of a tax sale certificate may not bring a property tax appeal.
- Updates the definition of the Internal Revenue Code to incorporate changes made by Congress through January 1, 2016.
- Provides for refund of any gasoline tax paid on a fuel blend nominally consisting of more than 89% ethanol and less than 11% gasoline.
- Reestablishes the county misdemeanor fund formula that was repealed by HEA 1006-2015.
- Provides that an initial award from the safety PIN (protecting Indiana's newborns) grant fund may be up to 60% of the total approved grant amount.
- Specifies that the 2015 budget act appropriation from the tobacco master settlement agreement fund to the safety PIN program is to be deposited in the safety PIN grant fund and that any unused appropriation remains in the safety PIN grant fund.
- Specifies that the following apply to funds of redevelopment commissions: (1) The funds must be accounted for separately and the daily balance of the funds must be maintained in a separate ledger statement. (2) The funds must be accessible to the redevelopment commission at any time, unless this requirement is waived by the redevelopment commission. (3) The amount of the daily balance of the funds must not be below zero at any time. (4) The funds may not be maintained or used in a manner that is intended to avoid the procedures and requirements for a waiver.
- Provides that a fiscal body of a unit may request approval from the redevelopment commission to waive the requirement that all funds must be accessible to the redevelopment commission.
- Provides that, if a loan is made to a unit from the funds, the loan must be repaid by the unit not later than the end of the calendar year.
- Specifies additional information that must be reported by each redevelopment commission to the unit's executive and fiscal body and to the DLGF.
- Allows certain property taxpayers to file for a property tax exemption if the property would have qualified for the exemption if an exemption application had been timely filed.

Local Government Matters (HEA 1294, P.L. 205)

Author: Stephen Judy, R-Columbia City

Sponsor: Randy Head, R-Logansport

- Provides that in the case of the construction, remodeling, redevelopment, rehabilitation, or repair of real property that is: (1) paid for by a private person using public funds; and (2)

owned by a private person after completion of the project; the county assessor must reassess the property by carrying out a physical inspection.

- Provides that in the case of a city park board, the appointee by the school board may be either a member of the school board or a resident of the school corporation. (Under current law, such an appointee must be a member of the school board.)

Child Abuse Prevention Fee and Domestic Violence Prevention and Treatment Fee (SEA 17, P.L. 15)

Author: Randy Head, R-Logansport

Sponsor: Wendy McNamara, R-Mount Vernon

- Adds the offense of strangulation to the list of offenses requiring payment of the child abuse prevention fee and the domestic violence prevention and treatment fee.

Local Income Tax Distributions (SEA 67, P.L. 126)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Tim Brown, R-Crawfordsville

IACT Comments: SEA 67 was the Senate Republican road funding legislation that was supported by Governor Pence. This legislation calls for a special distribution of the LOIT Trust Reserve Account for all funds collected prior to Dec 31, 2014. The total distribution is just over \$430 million which will be distributed to all eligible entities. 75% of these funds must be utilized on Local Road and Street uses while the remaining 25% may be used for any general purpose. Funds will be distributed to County Auditors by May 1st and funds will be distributed to Cities and Towns by June 1, 2016. SEA 67 also reduces the trust fund reserve threshold from 50% to 15%. Most units will reach the new 15% threshold in 3-4 years and will start receiving a full distribution once the new threshold is reached. Funds received from this special distribution are one of three available sources for the INDOT Local Road and Bridge Matching Grant Program so we strongly encourage municipalities allocate these funds for that purpose to double the funds you have available for infrastructure projects.

- Provides for a supplemental distribution of local income taxes when the balance in a county's local income tax trust account exceeds 15% (rather than 50%, under current law) of the certified distributions to be made to the county.
- Specifies the accounting, allocation method, and distribution requirements for supplemental distributions. Requires before May 2016 a one time special allocation of the balance in a county's trust account as of December 31, 2014.
- Provides that a taxing unit's allocation amount is to be determined in the same manner as a supplemental distribution would have generally been determined under the former income taxes.
- Requires a special distribution of the allocation amount. Provides that at least 75% of the distributions made to a county, city, or town must be: (1) used exclusively for local road

construction, maintenance, or repair, or capital projects for aviation, including capital projects of an airport authority; or (2) deposited in a rainy day fund and later used for those purposes.

- Provides that any remaining distribution to a county, city, or town may be used for any purposes of the county, city, or town.
- Requires the allocation amount for other taxing units to be deposited in the taxing unit's rainy day fund.

Multiple County PTABOAs (SEA 87, P.L. 207)

Author: Luke Kenley, R-Noblesville

Sponsor: John Price, R-Greenwood

- Provides that the legislative bodies of two or more counties may adopt substantially similar ordinances to establish a multiple county property tax assessment board of appeals (PTABOA).
- Provides that a multiple county PTABOA must consist of either of the following number of members: (1) Three members, not more than two of whom may be from the same political party. (2) Five members, not more than three of whom may be from the same political party.
- Provides that the fiscal bodies of the counties that establish a multiple county PTABOA must adopt substantially similar ordinances to appoint the members of the multiple county PTABOA.
- Provides that the compensation of members of a multiple county PTABOA shall be determined jointly by the fiscal bodies of the participating counties.
- Requires the assessor's office for the county with the greatest population in a multiple county PTABOA to provide administrative support to the board.
- Makes conforming amendments.

Excluded City Military Base Reuse Authority (SEA 151, P.L. 91)

Author: James Merritt, R-Indianapolis

Sponsor: John Price, R-Greenwood

- Provides absent an agreement in effect, the Fort Harrison reuse authority (authority) shall pay the city of Lawrence for: (1) police and fire protection at the same tax rate; and (2) utility services at the same rates and charges; imposed upon taxpayers in the excluded city.
- Provides that payments for city services are subordinate to debt service payments for bonds of the authority issued before January 1, 2016.

911 Fees (SEA 213, P.L.36)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Mike Karickhoff, R-Kokomo

IACT Comments: There is pending litigation between the Statewide 911 Board and several other communication service providers that have not been making payments. This language clarifies what providers are required to make these payments and clarifies the definition of a “retail transaction” for future payments.

- Eliminates the requirements that a communications service provider designated by the Indiana Utility Regulatory Commission as an eligible telecommunications carrier for purposes of receiving Lifeline reimbursement from the Universal Service Fund must pay to the Statewide 911 Board the following: (1) A one-time charge based on the enhanced prepaid wireless charge with respect to end users for which the provider received reimbursement from the Universal Service Fund before August 1, 2015. (2) A one-time fee based on the monthly statewide 911 fee with respect to end users for which the provider received reimbursement from the Universal Service Fund before August 1, 2015.
- Specifies that for purposes of the statute concerning the enhanced prepaid wireless charge: (1) a "retail transaction" does not include a transaction in which an eligible telecommunications carrier receives Lifeline reimbursement from the Universal Service Fund; and (2) the charge is not required to be paid by an eligible telecommunications carrier that is required to pay the monthly statewide 911 fee for the same transaction.
- Makes a technical change.

Referendum and Petition and Remonstrative Process (SEA 279, P.L.138)

Author: Mark Stoops, D-Bloomington

Sponsor: Randy Truitt, R-West Lafayette

- Provides that at least 500 or 5% of the property owners or registered voters of a political subdivision are necessary to initiate either a debt service remonstrance or debt service referendum. (Current law provides that at least 100 or 5% of the property owners or registered voters of a political subdivision are necessary to initiate either a debt service remonstrance or debt service referendum.)
- Specifies that a resolution to extend a referendum levy must be adopted by the governing body of a school corporation and approved by the voters before December 31 of the final calendar year in which the school corporation's previously approved referendum levy is imposed.
- Specifies the ballot language for a referendum to extend a referendum levy.
- Provides that the number of years for which a referendum levy may be extended if the referendum is approved may not exceed the number of years for which the expiring referendum levy was imposed.

Appraisal and Real Estate Brokers (SEA 300, P.L.45)

Author: Phil Boots, R-Crawfordsville

Sponsor: Kevin Mahan, R-Hartford City

- Removes the requirement that property sold at sheriff's sale be appraised.
- Adds to the existing list of acts that are exempt from the statute governing the licensure of real estate brokers the performance of an evaluation of real property by a financial institution in connection with a transaction for which the financial institution would not be required to use the services of a state licensed appraiser under regulations adopted under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Property Tax Matters (SEA 304, P.L.100)

Author: Luke Kenley, R-Noblesville

Sponsor: Tim Brown, R-Crawfordsville

- For the January 1, 2017, assessment date, increases the assessed value limit for the property tax deduction for certain veterans with a disability from \$143,160 to \$175,000.
- Provides that an individual may claim a deduction from the assessed value of the individual's homestead if: (1) the individual served in the military or naval forces of the United States; (2) the individual received an honorable discharge; (3) the individual has a disability of at least 50%; (4) the individual's disability is evidenced by a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs or by a certificate of eligibility issued to the individual by the Indiana Department of Veterans' Affairs; and (5) the homestead was conveyed without charge to the individual who is the owner of the homestead by an organization that is exempt from income taxation under the federal Internal Revenue Code.
- Specifies that a property continues to qualify as a homestead if the property is leased while the owner is away from Indiana serving on active duty in the armed forces, if the individual has lived at the property at any time during the past 10 years. (Current law specifies that a property ceases to qualify as a homestead if the property is leased while such an individual is away from Indiana.)

Bond Bank Community Funding (SEA 306, P.L.47)

Author: Randy Head, R-Logansport

Sponsor: Kevin Mahan, R-Hartford City

- Amends the Indiana Bond Bank Law to require the county where a qualified entity is located to pay to the bond bank, from any assets of the qualified entity that are in the custody of the county, the amount of certain securities payments that the qualified entity has failed to make.

- Increases from five years to 10 years the maximum maturity period applicable to municipal securities purchased by the Treasurer of State.

Local Tax Matters (SEA 308, P.L.180)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Tim Brown, R-Crawfordsville

IACCT Comments: SEA 308 contains language addressing one of IACCT's initiatives to allow fast growing communities to increase their property tax levy to provide additional revenue for municipal services. Although the levy growth language that ultimately passed in the bill is very narrow and benefits only a few communities, we are hopeful that there will be more discussion on this issue -- the bill contains language advising more study to be done by the Committee on Fiscal Policy. In addition, one of the most notable changes of the session is included in SEA 308 regarding farmland assessment. The changes made to the farmland assessment formula will result in a projected loss of revenue to local governments of \$23.3 million by 2019. Homeowners are the most likely group to see an increase in taxes due to the farmland assessment formula change. Finally, there is a mentionable provision regarding funding for Public Safety Answer Points (PSAP) that is also included in this act. For the 29 counties that have the County Option Income Tax, the county council may designate that 0.1% of the expenditure rate be designated for the local PSAP.

- Provides that when calculating the base rate for agricultural land for the January 1, 2016, assessment date and each assessment date thereafter, the Indiana Department of Local Government Finance (DLGF) shall do the following: (1) Use the six most recent years preceding the year in which the assessment date occurs for which data is available (before the highest of those six years is eliminated when determining the rolling average). (2) After determining a preliminary base rate that would apply for the assessment date, adjust the preliminary base rate as follows: (A) If the preliminary base rate for the assessment date would be at least 10% greater than the final base rate determined for the preceding assessment date, a capitalization rate of 8% shall be used to determine the final base rate. (B) If the preliminary base rate for the assessment date would be at least 10% less than the final base rate determined for the preceding assessment date, a capitalization rate of 6% shall be used to determine the final base rate. (C) If the preliminary base rate for the assessment date is neither at least 10% greater nor at least 10% less than the final base rate determined for the preceding assessment date, a capitalization rate of 7% shall be used to determine the final base rate.
- Specifies that for purposes of the assessment of agricultural land, the soil productivity factors used for the March 1, 2011, assessment date shall be used for the January 1, 2016, assessment date and each assessment date thereafter. (Under current law, new soil productivity factors are to be used for assessment dates occurring after March 1, 2015.)
- Provides an exemption from the maximum property tax levy limits for a municipality in a year if: (1) the percentage growth in the municipality's assessed value for the preceding

year compared to the year before the preceding year is at least two times the assessed value growth quotient (AVGQ); and (2) the municipality's population increased by at least 150% between the last two decennial censuses.

- Specifies that such a municipality may increase its property tax levy in excess of the levy limits by a percentage equal to the lesser of 6% or the percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year.
- Urges a study by the Interim Study Committee on Fiscal Policy on the topic of allowing an exemption from the maximum levy limits for growing municipalities.
- Provides that Cain Township in Fountain County may increase its maximum township unit levy and its maximum levy for fire protection and emergency services for 2017.
- Limits the increase to what each of these levies would be for 2017 if the township had imposed the maximum amount for each of these levies since 2003.
- Permits the fiscal body of Howard Township in Washington County to adopt a resolution to authorize the township executive to request that the DLGF increase the township's maximum permissible property tax levy for 2017 and thereafter.
- Requires the DLGF to increase the maximum levy by 10%.
- Permits a county fiscal body to impose a local income tax (LIT) rate for a public safety emergency assistance answering point that is part of the statewide 911 system (PSAP) if the adopting body in the county is the LIT Council (formerly called the COIT Council) and the LIT Council has not allocated the revenue from an expenditure rate of at least 0.1% to a PSAP in the county.
- Specifies that the rate may not exceed 0.1%.
- Specifies that the revenue generated by the rate is to be paid only to the county unit and used only for a PSAP.
- Increases the assessed value per acre of classified forest land, classified windbreaks, and classified filter strips from \$1 per acre to \$13.29 per acre for the January 1, 2017 assessment date.
- For assessment dates after January 1, 2017, increases the assessed value by the annual percentage change in the Consumer Price Index.
- Deletes the requirement that an assessor shall examine and verify the accuracy of each personal property tax return filed by a taxpayer.
- Provides instead that an assessor may examine and verify the accuracy of a personal property tax return if the assessor considers the examination and verification of that personal property return to be useful to the accuracy of the assessment process.
- Adds certain types of property to the exemption for property used for public airport purposes.
- Authorizes a county fiscal body to adopt an ordinance to capture taxes from all taxing units in a taxing district when there is an appeal that is uncommon and infrequent.
- Specifies that such a taxing unit may not include these captured taxes as part of an appeal for a shortfall levy increase.

- Allows a county to use excess reserves in its Prisoner Reimbursement Fund for the costs of care, maintenance, and housing of prisoners, including the cost of housing prisoners in the facilities of another county.
- Expires under the Tax Increment Financing Law the downtown Indianapolis consolidated allocation area on January 1, 2051.

State and Local Taxation (SEA 309, P.L.181)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Tim Brown, R-Crawfordsville

- Eliminates the exemption for property taxes during the planning and construction of a residence that is conveyed upon completion to a low income individual by a non-profit organization.
- Restricts but does not eliminate the exemption for property taxes for improvements on real property that is constructed, rehabilitated, or acquired for the purpose of providing low income housing.
- Specifies that the payments in lieu of taxes (PILOTS) that may be required from a property owner claiming such an exemption may not be imposed for an assessment date occurring after January 1, 2017.
- Eliminates the property tax deduction for residential rehabilitation of a dwelling.
- Eliminates the property tax deduction for rehabilitation of a structure over 50 years old.
- Provides that the state use tax is imposed on a contractor's conversion of construction material into real property if that construction material was purchased by the contractor.
- Specifies, however, that the use tax does not apply to conversions of construction material if: (1) the sales or use tax has been previously imposed on the contractor's acquisition or use of that construction material; (2) the person for whom the construction material is being converted could have purchased the construction material exempt from the sales and use tax (as evidenced by an exemption certificate) if that person had directly purchased the material from a retail merchant in a retail transaction; or (3) the conversion of the construction material into real property is governed by a time and material contract.
- Provides that a contractor is a retail merchant making a retail transaction when the contractor disposes of tangible personal property or converts tangible personal property into real property under a time and material contract.
- Specifies that a person is a retail merchant making a retail transaction for purposes of state gross retail and use taxes when the person rents or furnishes rooms, lodgings, or accommodations (lodgings) that: (1) are rented or furnished for periods of less than 30 days; and (2) are located in a house, condominium, or apartment in which lodgings are rented or furnished for transient residential housing for consideration.
- Provides that a facilitator is a retail merchant making a retail transaction when the facilitator accepts payment from the consumer for lodgings rented or furnished in Indiana.

- Defines "facilitator" as a person who: (1) contracts with a person who rents or furnishes lodgings for consideration to market the lodgings through the Internet; and (2) accepts payment from the consumer for the lodging.
- Provides that a retail merchant who rents or furnishes lodgings shall provide to the consumer of the lodging an itemized statement separately stating all of the following: (1) The part of the gross retail income that is charged for the rental or furnishing of the lodging. (2) Any taxes collected by the person renting or furnishing the lodging. (3) Any part of the gross retail income that is a fee, commission, or other charge of a facilitator.
- Provides that a penalty of \$25 is imposed on a facilitator for each transaction in which the facilitator fails to separately state such information.
- Repeals the state sales tax exemption for the cutting of steel bars into billets after 2016.
- Provides that the exemption applies retroactively to transactions occurring from 2010 through 2015, but that a taxpayer is not entitled to a refund of state sales taxes paid on those transactions.
- Provides that for taxable years beginning after December 31, 2017, a taxpayer may claim the \$1,500 additional dependent deduction for a dependent child for whom the taxpayer is the legal guardian.
- Provides that the state income tax credit for certain acute care hospitals for part of the property taxes paid by the hospital may be carried forward if the hospital cannot use the entire credit because of the taxpayer's income tax liability for that taxable year.
- Repeals the state income tax credit for contributions to the 21st Century Scholars Program Support Fund.
- Sets forth criteria for determining the date on which a taxpayer has made a contribution to a 529 Plan.
- Provides that if an ordinance has been adopted requiring the payment of the innkeeper's tax to the county treasurer instead of the Indiana Department of Revenue (DOR), the county treasurer has the same rights and powers with respect to refunding the innkeeper's tax as the DOR.
- Provides that if a partnership, a trust, or an estate fails to withhold and pay any amount of tax required to be withheld and thereafter the tax is paid by the partners of the partnership (or the beneficiaries in the case of a trust or estate), the amount of tax paid by partners (or the beneficiaries in the case of a trust or estate) may not be collected from the partnership, trust, or estate.
- Specifies that the partnership, trust, or estate remains liable for interest or penalty based on the failure to withhold the tax.
- Provides that if the DOR issues to a person a demand notice for the payment of a tax, the person has 20 days (rather than 10 days, under current law) to either pay the amount demanded or show reasonable cause for not paying the amount demanded.
- Provides that a public-private agreement for communications systems infrastructure may be entered into using the procedures that apply to requests for proposals by the Indiana Finance Authority (IFA) or using a request for information and entering into negotiations with a single offeror.

- Provides that the IFA may set user fees as part of the public-private agreement.
- Specifies that any improvements on any real property interests may be owned by the IFA, a governmental entity, an operator, or a private entity (instead of having to be owned in the name of the state or by a governmental entity).
- Provides that local planning and zoning laws do not restrict or regulate the exercise of the power of eminent domain by the IFA or the use of property owned or occupied by the IFA.
- Reconciles a conflict with SEA 23-2016 and HEA 1036-2016.
- Urges the Legislative Council to assign to a study committee the topic of the eligibility of low income housing for a property tax exemption.

Local Government Budgeting (SEA 321, P.L.184)

Author: Pete Miller, R-Brownsburg

Sponsor: Todd Huston, R-Fishers

IACT Comments: IACT worked closely with the DLGF and the OMB in the fall of 2015, examining several reporting dates in an effort to simplify and improve the municipal budgeting process. SEA 321 moves forward several dates by which the DLGF and the County Auditor must provide information to municipal fiscal officers so budgets may be finalized by Dec 31 of the year prior to the budget year. The November 1st budget deadline for local units is still in place. SEA 321 also removes the requirement for nonbinding review from the County.

- Provides that for each budget year after 2018, the Indiana Department of Local Government Finance (DLGF) shall certify a political subdivision's budget, tax rate, and tax levy not later than: (1) December 31 of the year preceding the budget year, unless a taxing unit in a county is issuing debt after December 1 in the year preceding the budget year or intends to file a shortfall appeal; or (2) January 15 of the budget year, if a taxing unit in a county is issuing debt after December 1 in the year preceding the budget year or intends to file a shortfall appeal. (Under current law, these certifications must be completed not later than February 15 of the budget year.)
- Retains the November 1 deadline for a political subdivision to adopt a budget for the following year.
- Specifies that after 2017, the county auditor shall provide before June 1 an initial estimate of assessed valuations to political subdivisions within the county.
- For calendar years after 2017, changes: (1) the date by which a county must submit the coefficient of dispersion study and property sales assessment ratio study to the DLGF; (2) the date by which a political subdivision must submit to the DLGF a proposal to establish a cumulative fund; (3) the date by which the State Budget Agency must provide to the DLGF and county auditors an estimate of each county's local income tax distributions for the following year; and (4) the date by which the DLGF must estimate each taxing unit's distribution of local income tax for the following year.
- Changes other deadlines in the local budgeting process in order to conform to the December 31 deadline for DLGF certification of budgets, tax rates, and tax levies.

- Provides that the DLGF shall before July 15 of each year provide taxing units with an estimate of the maximum property tax levies that will apply for the ensuing calendar year.
- Provides that the DLGF must before August 1 of each year provide to each taxing unit an estimate of the amount by which the taxing unit's distribution of property taxes may be reduced by circuit breaker credits in the ensuing year.
- Provides that for a fund of a political subdivision subject to the levy limits, the DLGF shall calculate and certify the allowable budget of the fund if the political subdivision adopts a tax levy that exceeds the estimated maximum levy limits as provided by the DLGF.
- Specifies that for a fund subject to levy limits and for which the political subdivision adopts a tax levy that is not more than the levy limits, the DLGF shall review the fund to ensure the adopted budget is fundable based on the unit's adopted tax levy and estimates of available revenues.
- Requires the State Budget Agency provide the assessed value growth quotient (AVGQ) for the ensuing year to civil taxing units, school corporations, and the DLGF before July 1 of each year.
- Requires the DLGF to provide to political subdivisions before July 15 of each year after 2017 an estimate of: (1) the maximum property tax rate that may be imposed by the political subdivision for each cumulative fund or other fund for which a maximum rate is established; and (2) the property tax rates that must be imposed by the political subdivision in the following year for debt service.
- Provides that in formulating a political subdivision's estimated budget, the proper officers of the political subdivision must consider the net property tax revenue that will be collected by the political subdivision during the ensuing year, after taking into account the estimates by the department of local government finance of: (1) the amount by which the political subdivision's distribution of property taxes will be reduced by circuit breaker credits; and (2) the maximum amount of net property tax revenue and miscellaneous revenue that the political subdivision will receive in the ensuing year.
- Repeals the statutes concerning county fiscal body non-binding review of local budgets, tax levies, and tax rates and the non-binding review pilot project.
- Requires the county fiscal body to review the following at a public meeting: (1) The estimated levy limits provided by the DLGF. (2) The estimated circuit breaker credit impact on taxing units.
- Provides that after this meeting is held, the county fiscal body may prepare and distribute a written recommendation for taxing units in the county.
- For property taxes first due and payable after December 31, 2016, provides that the maximum appropriations for a community intellectual disability and other developmental disabilities center is equal to the maximum allowable appropriation by the county for the preceding year multiplied by the AVGQ.
- Specifies that a county shall fund the operation of community mental health centers (unless a lower tax levy amount will be adequate to fulfill the county's financial obligations, as provided under current law) in an amount equal to: (1) the maximum amount that could

have been levied in the county in the preceding year (using the amount calculated under for this purpose in 2004 as the base amount); multiplied by (2) the county's AVGQ.

- Requires the DLGF to provide to counties before July 15 of each year an estimate of the maximum appropriation amount for the ensuing year.
- Provides that for purposes of determining the property tax levy limits, a county's or municipality's tax levy excludes all the taxes imposed for a county or municipal cumulative capital development fund.
- Requires the DLGF to provide annually to each county and municipality an estimate of: (1) the maximum tax rate that the county, city, or town may impose for a cumulative capital development fund; and (2) the maximum amount of property taxes imposed for community mental health centers or community intellectual disability and other developmental disabilities centers that are exempt from the levy limits for the ensuing year.
- Requires the DLGF to make a one-time permanent adjustment to the levy limits equal to the amount of property taxes imposed on personal property of banks that became subject to assessment in 1989 (this amount is currently excluded under a separate statute).
- Repeals the statute providing that property taxes imposed by a county or municipality to pay supplemental juror fees (above the required amount) are exempt from the levy limits.
- Changes the date (from July 1 to June 15 of each year) by which a redevelopment commission must determine the amount, if any, of excess assessed value that may be allocated to the respective taxing units.
- Urges the Legislative Council to assign to an interim study committee the study of the procedures by which a political subdivision in a county may: (1) transfer the political subdivision's funds to another political subdivision located in the same county; and (2) transfer additional money from the political subdivision's other funds into the political subdivision's rainy day fund or general operating fund.

Legislative Studies (SEA 323, P.L.185)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Todd Huston, R-Fishers

- Urges the Legislative Council to assign to an interim committee a study of the extent to which local governments rely on various gaming-related revenue, the competitiveness of Indiana's gaming industry and other gaming tax matters.
- Requires the Legislative Services Agency to: (1) study the combined reporting approach to apportioning income and transfer pricing for income tax purposes; and (2) report the results of the study to the Legislative Council and to the Interim Study Committee on Fiscal Policy before October 1, 2016.
- Requires the Interim Study Committee on Fiscal Policy to hold at least one public hearing at which the Legislative Services Agency presents the results of the study.
- Urges the Legislative Council to assign the topic of federal requirements for home and community based settings to the Interim Study Committee on Fiscal Policy.

Individual Development Accounts (SEA 325, P.L.50)

Author: Mark Messmer, R-Jasper

Sponsor: Randy Truitt, R-West Lafayette

- Increases from 175% to 200% of the federal income poverty level the maximum annual income that an individual may have to qualify for an individual development account (IDA).
- Requires a qualifying individual to be an Indiana resident.
- Requires that a primary residence or business for which money is withdrawn from an IDA must be located or based in Indiana.
- Provides for use of money from an IDA for purchase of a motor vehicle.
- Removes the deadline for deposits to IDAs.
- Prohibits application of fees to an IDA.
- Provides that a community development corporation may apply to the Housing and Community Development Authority for an allocation of tax credits for contributors to an IDA Fund.
- Allows a community development corporation to approve a business plan before receiving the plan with a request for a withdrawal for use in connection with a business.
- Codifies current practices for allocation and claims of IDA tax credits.

Tax Sales and Tax Sale Properties (SEA 355, P.L.187)

Author: Rick Niemeyer, R-Lowell

Sponsor: Hal Slager, R-Schererville

- Provides that certain notices of tax sales may omit the descriptions of the properties to be offered for sale if: (1) the notice includes a statement indicating that descriptions of the properties and minimum bids are available on the Internet web site of the county government or the county government's contractor and in printed form upon request; and (2) the descriptions of the properties are made available on the county's Internet web site and in an electronic format, on a digital storage medium, or in printed form upon request.
- Provides that if a county auditor or county executive has published information concerning properties to be sold in a tax sale on the Internet web site of the county government or the county government's contractor, a person who requests information concerning descriptions of those properties in an alternative form may specify that the person prefers to receive the information in an electronic format, on a digital storage medium, or in printed form.
- Provides that if an owner of property that has been sold at a tax sale sells the property during the redemption period: (1) the amount the buyer must pay to redeem the property includes any excess amount that was paid by the winner bidder at the tax sale and that is being held in the Tax Sale Surplus Fund; (2) a county recorder may not record the conveyance document unless the buyer has redeemed the property; and (3) if the buyer

does not redeem the property before the end of the redemption period, the conveyance is inoperable and void.

- Gives the Attorney General the power to enforce current law pertaining to agreements for compensation to locate, deliver, recover, or assist in the recovery of money deposited in a Tax Sale Surplus Fund with respect to real property as a result of a tax sale.
- Provides that when a governmental entity or the state becomes the owner of real property with unpaid property taxes, delinquencies, fees, special assessments, and penalties assessed against the real property, the Indiana Department of Local Government Finance may release the lien against the real property and cancel these assessments with respect to the governmental entity, the state, or a subsequent purchaser, regardless of whether the property taxes were assessed before or after the governmental entity or the state became the owner of the real property.
- Specifies that the cancellation of the assessments and the release of the corresponding lien does not affect the liability of any person that is personally liable for the assessments.

Cigarette and Tobacco Taxes (SEA 381, P.L.191)

Author: Ryan Mishler, R-Bremen

Sponsor: Tim Brown, R-Crawfordsville

- Changes the stamp discount for cigarette distributors from \$0.012 to \$0.013.
- Changes the tax collection allowance for tobacco distributors from \$0.006 to \$0.007 for tobacco products other than cigarettes.
- Repeals the tax that applies to cigarette papers, wrappers, and tubes.
- Makes conforming changes.

Study of IC 36-5-3-2 and Part-Time Pay Scales for Town Officials (SR 55)

Author: Phil Boots, R-Crawfordsville

- Urges the Legislative Council to assign to the appropriate study committee the topic of: (1) whether IC 36-5-3-2 (compensation of town elected officials) should be clarified to provide that towns may establish separate compensation scales for part-time and full-time town clerk-treasurers and other elected town officers; and (2) accordingly pay a lower compensation rate if a town official acts in a part-time capacity.

Pensions

Various Pension Matters (HEA 1032, P.L. 193)

Author: Martin Carbaugh, R-Fort Wayne

Sponsor: Phil Boots, R-Crawfordsville

- Provides that the assets of the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan may be commingled for investment purposes with the assets of other funds administered by the board of trustees (board) of the Indiana public retirement system.
- Provides that an employer who elects to purchase special death benefit coverage for an eligible emergency medical services provider must pay for the coverage annually as prescribed by the board.
- Eliminates the guaranteed fund investment option after December 31, 2016, for members of the public employees' retirement fund (PERF) and the teachers' retirement fund (TRF) and replaces the guaranteed fund with an unguaranteed stable value fund investment option.
- Provides that a miscellaneous participating entity that freezes its participation in PERF must begin payment of its additional contributions to fully fund the service of its PERF members not later than July 1, 2016, or a date determined by the board.
- Allows the board to charge interest on any amount that remains unpaid after the payment date determined by the board.
- Provides for the disbursement or investment of annuity savings account money if an unvested member or PERF or TRF is suspended, and discontinues the practice of moving that annuity savings account money to a reserve account.
- Provides that a retired or disabled member of PERF or TRF who has begun to receive benefits may change the member's designated beneficiary or the form of the member's benefit any number of times.
- Allows an individual who: (1) is an employee of the state on July 1, 2016; (2) became for the first time, after January 1, 2013, a full-time employee of the state in a position that is eligible for membership in PERF; and (3) is a member of PERF; to elect to become a member of the public employees' defined contribution plan (plan).
- Requires the individual to make the election not later than July 30, 2016.
- Provides that for an individual who makes the election: (1) the individual's service in PERF is considered participation in the plan for purposes of vesting in the employer contribution subaccount, and the individual waives service credit in PERF for the service; (2) the amount credited to the individual's annuity savings account in PERF is transferred to the individual's member contribution subaccount in the plan; and (3) the amounts paid to PERF by the state as employer normal cost contributions for the individual are transferred to the individual's employer contribution subaccount in the plan.
- Makes a technical correction. (The introduced version of this bill was prepared by the interim study committee on pension management oversight.)

[Pension Thirteenth Check \(HEA 1161, P.L. 156\)](#)

Author: Douglas Gutwein, R-Francesville

Sponsor: Phil Boots, R-Crawfordsville

- Provides for a thirteenth check in 2016 for certain members of the: (1) Indiana state teachers' retirement fund; (2) public employees' retirement fund; (3) state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan; (4) state police 1987 benefit system; and (5) state police pre-1987 benefit system.

Employment of Veterans as Public Safety Officers/1977 Fund Retirement Age (HEA 1359, P.L. 115)

Author: Bob Morris, R-Fort Wayne

Sponsor: Liz Brown, R-Fort Wayne

- Waives the maximum hiring age restrictions that apply to the appointment and hiring of police officers and firefighters for an individual who is a veteran of the armed forces and who meets certain requirements.
- Provides that an individual who is appointed as a police officer or a firefighter as the result of a waiver is eligible to become a member of the 1977 police officers' and firefighters' pension and disability fund (1977 fund). Requires a member of the 1977 fund to retire at 70 years of age.

Public Employees' Defined Contribution Plan (SEA 148, P.L. 209)

Author: Phil Boots, R-Crawfordsville

Sponsor: Woody Burton, R-Whiteland

- Provides that the state or a political subdivision may elect whether certain retired members of the public employees' retirement fund (fund) may begin or resume membership in the public employees' defined contribution plan (plan) for periods of reemployment with the state or a participating political subdivision.
- Provides that an individual who is both a member of the fund and a member of the plan may purchase service credit in the fund after the member is vested in the fund with money in the annuity savings account that is attributable to service in the plan.
- Urges the legislative council to assign to the interim study committee on pension management oversight during the 2016 legislative interim the topic of whether membership in the plan should be the default option for an individual who becomes for the first time a full-time employee of the state in a position that would otherwise be eligible for membership in the fund.
- (The introduced version of this bill was prepared by the interim study committee on pension management oversight.)

Public Safety

[Geolocation Information and Unmanned Aerial Vehicles \(HEA 1013, P.L. 57\)](#)

Author: Eric Koch, R-Bedford

Sponsor: Randy Head, R-Logansport

- Provides that, upon the request of a law enforcement agency, a provider of electronic communications services used by an electronic device is required to provide geolocation information concerning the electronic device to the law enforcement agency: (1) to allow the law enforcement agency to respond to a call for emergency services; or (2) in an emergency situation that involves the risk of death or serious bodily injury to an individual.
- Specifies that a law enforcement agency may make a request for geolocation information without first obtaining a search warrant or another judicial order that would otherwise be required to obtain the geolocation information if obtaining the search warrant or other judicial order would cause an unreasonable delay in responding to a call for emergency services or an emergency situation.
- Provides that, if a law enforcement agency makes a request for geolocation information without first obtaining a search warrant or another judicial order, the law enforcement agency shall seek to obtain the search warrant or other judicial order issued by a court based upon a finding of probable cause that would otherwise be required to obtain the geolocation information not later than 72 hours after making the request for the geolocation information.
- Requires a provider of electronic communications services used by electronic devices to submit the provider's emergency contact information to the state police department.
- Requires the state police department to: (1) maintain the emergency contact information submitted to the state police department by providers of electronic communication services; and (2) make the information immediately available to a state or local law enforcement agency.
- Allows the use of an unmanned aerial vehicle by a law enforcement officer or governmental entity without obtaining a search warrant if the law enforcement officer determines that the use of the unmanned aerial vehicle is required to obtain aerial photographs or video images of a motor vehicle accident site on a public street or public highway.

[Establishes a Procedure for the Release of Law Enforcement Recordings under the Public Records Law \(HEA 1019, P.L. 58\)](#)

Author: Kevin Mahan, R- Hartford City

Sponsor: Rodric Bray, R-Martinsville

IACT Comments: HEA 1019 creates a uniform framework for all public records requests for law enforcement recordings, which must now be kept for a minimum of 190 days. This will impact all municipalities that use any sort of audio, visual or audiovisual equipment to capture law

enforcement activities. Before municipalities adopt or continue programs using such technology, it will be important for the city/town attorney to understand the details of this new legislation and advise decision-makers how to proceed accordingly.

As a word of caution – at one point, there was some concerning language moving in this bill that would have required departments to release a recording if it “pertained to” certain violations (e.g. a civil rights violation or the excessive use of force). While we successfully advocated for removal of this language, the bill’s author made a commitment to the proponents of that language that he will come back to tighten the discretion of all departments if he hears of departments that are adopting policies that too heavily err on the side of non-disclosure.

- Establishes a procedure for the release of law enforcement recordings (recordings) under the public records law.
- Exempts custodial interrogations described in Indiana Evidence Rule 617 from provisions applicable to other law enforcement recordings.
- Requires a public agency to permit the following persons (defined as a "requestor" in the statute) to view a recording at least twice: (1) A person depicted in a recording, or if the person is deceased or incapacitated, the person's relative or representative. (2) An owner or occupant of real property depicted in a recording. (3) A crime victim, if the depicted events are relevant to the crime. (4) A person who suffers a loss due to personal injury or property damage, if the depicted events are relevant to the person's loss.
- Allows a "requestor" to be awarded attorney's fees, court costs, and other reasonable expenses if the "requestor" prevails in an action against a public agency to view a recording.
- Requires a public agency to permit all persons to inspect and copy a recording unless the public agency can demonstrate that release of the recording would: (1) pose a significant risk of harm to a person or the public; (2) interfere with a person's ability to get a fair trial; (3) affect an ongoing investigation; or (4) not serve the public interest.
- Provides that a recording that captures information relating to airport security may not be released for public inspection without the approval of the airport operator.
- Specifies the procedure to obtain a court order for the release of a law enforcement recording, and requires a court to expedite the proceedings.
- Caps the fee for copying a law enforcement recording at \$150, and specifies that the agency collecting the fee may spend the fee for certain purposes.
- Specifies information that a public agency may or must obscure from a law enforcement recording before disclosing it.
- Establishes the length of time that a public agency must retain a law enforcement recording.
- Exempts a law enforcement recording from a criminal statute prohibiting placement of a camera on the private property of another person.
- Resolves technical conflicts with SEA 378-2016 and HEA 1022-2016. (The introduced version of this bill was prepared by the interim study committee on government.)

Private University Police Departments (HEA 1022) VETOED

Author: Patrick Bauer, D-South Bend

Sponsor: Susan Glick, D-LaGrange

IACCT Comments: This bill was vetoed by Governor Pence. There is a pending court case.

- Provides that certain records of a private university police department relating to arrests or incarcerations for criminal offenses are public records.
- Allows a private university police department to withhold investigatory records.
- Provides that the name of a crime victim in records released by a private university police department must be redacted unless the release is authorized by the crime victim.
- Provides that an educational institution, a governing board of an educational institution, delegated office or offices of a governing board, or an individual employed by the educational institution as a police officer have the same immunities Private university police departments.
- Provides that certain records of a private university police department relating to arrests or incarcerations for criminal offenses are public records.
- Allows a private university police department to withhold investigatory records.
- Provides that the name of a crime victim in records released by a private university police department must be redacted unless the release is authorized by the crime victim.
- Provides that an educational institution, a governing board of an educational institution, delegated office or offices of a governing board, or an individual employed by the educational institution as a police officer have the same immunities of the state or state police officers with regard to activities related to law enforcement.

Human Trafficking and Common Nuisance (HEA 1028, P.L. 59)

Author: Randy Truitt, R-West Lafayette

Sponsor: Randy Head, R-Logansport

- Repeals certain provision in current law defining the crimes of visiting and maintaining a common nuisance in connection with the unlawful use of: (1) alcohol; (2) legend drugs; and (3) controlled substances.
- Creates a new statute defining the crimes of visiting and maintaining a common nuisance in connection with: (1) the unlawful use of alcohol; (2) the unlawful use of a legend drug; (3) the unlawful use of controlled substances; and (4) certain human trafficking crimes.
- Makes visiting a common nuisance where certain human trafficking crimes are being committed a Class A misdemeanor, and makes maintaining a common nuisance where certain human trafficking crimes are being committed a Level 6 felony.
- Repeals obsolete provisions and makes conforming amendments.

Blue LED Lights on Volunteer Firefighter Vehicles (HEA 1038, P.L. 61)

Author: Randy Lyness, R-West Harrison

Sponsor: Michael Crider, R-Greenfield

- Authorizes a blue light on a vehicle privately owned by a volunteer firefighter to be a blue light emitting diode (LED).

Motor Vehicle Accidents (HEA 1048, P.L. 63)

Author: Edmond Soliday, R-Valparaiso

Sponsor: Ed Charbonneau, R-Valparaiso

- Makes it a Class C infraction if a motor vehicle involved in an accident comes to a stop in the traveled portion of a highway, and the operator fails (with certain exceptions) to move the motor vehicle off the traveled portion of the highway in a manner that does not obstruct traffic more than is necessary.
- Provides that, with certain exceptions, a person who knowingly or intentionally possesses a plate or label that contains an identification number not attached to the motor vehicle or motor vehicle part to which the plate or label was originally assigned by a manufacturer or governmental entity commits a Class A misdemeanor, increases the penalty to a Level 6 felony if the person possesses more than one unattached plate or if the value of the motor vehicle or motor vehicle part to which the plate is attached is between \$750 and \$50,000, and increases the penalty to a Level 5 felony if the value of the motor vehicle or motor vehicle part to which the plate is attached is at least \$50,000.
- Provides that a person that damages, removes, or alters an original or a special identification number commits a Level 6 felony.
- Increases the penalty for selling a motor vehicle with an altered identification number to a Level 6 felony if the value of the vehicle is between \$750 and \$50,000, and to a Level 5 felony if the value of the vehicle is at least \$50,000.
- Makes the penalty for counterfeiting a motor vehicle title a Class A misdemeanor (under current law, the offense is a Class B misdemeanor), and increases the penalty to a Level 6 felony if the value of the vehicle is between \$750 and \$50,000, and to a Level 5 felony if the value of the vehicle is at least \$50,000. Defines the term "emergency incident".
- Expands the definition of the term "emergency incident area".

No Contact and Protective Orders and Battery (HEA 1069, P.L. 65)

Author: Dennis Zent, R-Angola

Sponsor: Susan Glick, R-LaGrange

- Allows a petition to be filed with the juvenile court to order a person to refrain from contact with a member of a foster family home.

- Makes battery a Class A misdemeanor instead of a Class B misdemeanor if the offense is committed against a member of a foster family home by a person who is not a resident of the foster family home if the person who committed the offense is a relative of a person who lived in the foster family home at the time of the offense.
- Makes the offense a Level 6 felony if it results in bodily injury to a member of the foster family.
- Removes the sentencing enhancement for battery committed against a family or household member in the presence of a child from the battery statute and places it in the domestic battery statute.
- Specifies that numerous provisions in the battery statute constitute domestic battery if they are committed against a family or household member.
- Makes certain other changes to penalties concerning the offense of battery.
- Provides that a person who knowingly or intentionally violates a no contact order in a child in need of services proceeding or in a juvenile delinquency proceeding commits a Level 6 felony. Makes conforming amendments.

Firearms and Certification (HEA 1085, P.L. 66)

Author: Sean Eberhart, R-Shelbyville

Sponsor: Brent Steele, R-Bedford

- Defines "chief law enforcement officer" as an official whose certification is required under federal law for a person to manufacture or transfer certain firearms, and requires a chief law enforcement officer to issue a requested certification unless the person requesting the certification is: (1) prohibited by law from receiving or possessing a firearm; or (2) the subject of a proceeding that could result in the person being prohibited by law from receiving or possessing a firearm.
- Requires a chief law enforcement officer who denies a request for certification to explain the reasons for the denial in writing.
- Permits a person whose certification is denied the right to challenge the denial by filing an action in a circuit or superior court, specifies that the chief law enforcement officer bears the burden of proving that the denial was lawful, and permits the award of reasonable attorney's fees and other costs to the person if there was no substantial basis for the denial.
- Provides civil immunity to a chief law enforcement officer for acts or omissions made in good faith.

Bureau of Motor Vehicle Omnibus Bill (HEA 1087, P.L. 198)

Author: Edmond Soliday, R-Valparaiso

Sponsor: Carlin Yoder, R-Middlebury

- Relocates and modifies the following after expiration or repeal: IC 9-14 (Bureau of Motor Vehicles). IC 9-15 (Bureau of Motor Vehicles Commission). IC 9-16 (License Branches). IC 9-18 (Registration). IC 9-24-6 (Commercial Driver's License). IC 9-29 (Fees) (other than IC 9-29-17 (Fees Under IC 9-32)).
- Establishes limits for convenience fees charged by full service and partial services providers.
- Changes distributions of various fees imposed by the bureau of motor vehicles.
- Replaces chauffeur's and public passenger chauffeur's licenses with for-hire endorsements.
- Establishes refund procedures for fees imposed by the bureau of motor vehicles.
- Amends provisions related to the closing of public railroad crossings.
- Codifies proposed rules of the Indiana department of transportation concerning unobstructed views at public rail-highway grade crossings.
- Excludes certain vehicles from inspections required for a certificate of title if certain conditions are satisfied.
- Provides for proof of ownership of a salvage vehicle by electronic signature on certain documents.
- Imposes conditions on the recovery of a vehicle license cost recovery fee by a rental company.
- Amends provisions related to the movement and sale of manufactured and mobile homes.
- Makes conforming amendments and technical corrections.

Death Certificates (HEA 1088, P.L. 67)

Author: Ron Bacon, R-Chandler

Sponsor: Vaneta Becker, R-Evansville

- Provides that in circumstances where a person dies or is declared dead in the emergency department and the emergency department physician is the physician last in attendance and is uncertain as to the cause and manner of death, the case may be referred to a coroner for investigation.
- Specifies the person who is responsible for referring the cases that are caused by other than natural causes and the emergency department cases that are uncertain as to the cause and manner of death to the coroner.

Local Emergency Planning Committees (HEA 1090, P.L. 68)

Author: Randy Frye, R-Greensburg

Sponsor: Michael Crider, R-Greenfield

- Provides that membership on the emergency response commission (commission) is not a lucrative office for purposes of the constitutional prohibition against holding more than one lucrative office at the same time.

- Specifies that the commission appoints the members of the local emergency planning committee of each emergency planning district.
- Provides that the commission may decide how many members a local emergency planning committee is to have, and that a local emergency planning committee's members must include representatives of five particular categories.
- Provides that membership on a local emergency planning committee is not a lucrative office.
- Allows any member of a local emergency planning committee to appoint a designee to act on the committee member's behalf. (Under current law, only a local emergency planning committee member who is an employee of a county, municipality, or township can appoint a designee.)
- Authorizes the commission to revise its appointments to a local emergency planning committee.
- Provides that a local emergency planning committee is a county board, and that if an emergency planning district consists of multiple counties, the county of which the local emergency planning committee is a county board must be decided by agreement of the counties.

Criminal Justice Matters (HEA 1102, P.L. 69)

Author: Gregory Steuerwald, R-Avon

Sponsor: Brent Steele, R-Bedford

- Allows the department of correction (department) to make grants to county jails to provide evidence based mental health and addiction forensic treatment services from funds appropriated to the department for the department's operating expenses for the state fiscal year.
- Requires the commissioner of correction to coordinate with the division of mental health and addiction when issuing community corrections and court supervised recidivism reduction program grants.
- Requires collaboration among: (1) the probation department; (2) the community corrections program; and (3) any other local criminal justice agency that receives funding from the department; when creating a community corrections plan.
- Encourages counties to include the courts, prosecuting attorneys, public defenders, and sheriffs when creating a community corrections plan.
- Provides that mental health and forensic addiction treatment services shall be made available to individuals who: (1) have been charged with a felony offense; or (2) have a prior felony conviction; if the individuals are eligible for placement with a pretrial services program, community corrections program, prosecuting attorney's diversion program, or jail.

Prosecutions for Rape and Criminal Deviate Conduct (HEA 1105, P.L. 70)

Author: Christina Hale, D-Indianapolis

Sponsor: Michael Crider, R-Greenfield

- Specifies that certain exceptions to the statute of limitations for rape as a Level 3 felony also apply to rape as a Class B felony (for crimes committed before July 1, 2014).
- Provides that a prosecution for criminal deviate conduct as a Class B felony for an offense committed before the crime was repealed on July 1, 2014, that would otherwise be barred may be commenced not later than five years after the earliest of the date on which: (1) the state first discovers evidence sufficient to charge the offender with the offense through DNA analysis; (2) the state first becomes aware of the existence of a recording that provides evidence sufficient to charge the offender with the offense; or (3) a person confesses to the offense.
- Provides that state educational institution and approved postsecondary educational institution student advocate office employees and volunteers who provide services to certain victims have testimonial privilege regarding confidential victim information.

Ignition Interlock Devices (HEA 1130, P.L. 71)

Author: Timothy Wesco, R-Osceola

Sponsor: Dennis Kruse, R-Auburn

- Requires the criminal justice institute (institute) to establish standards for: (1) service centers; (2) inspections; and (3) ignition interlock device technicians.
- Specifies that certain fees relating to ignition interlock devices shall be paid by the service center, provider, or vendor, deposited in an account administered by the Indiana criminal justice institute, and used to defray the expense of testing and inspecting ignition interlock devices.
- Requires the institute and the bureau of motor vehicles to enter into a memorandum of understanding regarding ignition interlock devices.

Methamphetamine Matters (HEA 1157, P.L. 9)

Author: David Frizzell, R-Indianapolis

Sponsor: R. Michael Young, R-Indianapolis

- Requires the division of state court administration to report certain methamphetamine-related felonies to the National Precursor Log Exchange (NPLEx) so that NPLEx can generate a stop sale alert to prevent individuals convicted of those felonies from purchasing ephedrine or pseudoephedrine.

Law Enforcement Officers (HEA 1164, P.L. 157)

Author: Kevin Mahan, R-Hartford City

Sponsor: Michael Crider, R-Greenfield

- Adds gaming agents and gaming control officers to the definition of "police officer" for purposes of the statute providing a sentence enhancement for individuals who point a firearm or discharge a firearm at a police officer while committing certain crimes.

Human Trafficking (HEA 1199, P.L. 75)

Author: Wendy McNamara, R-Mount Vernon

Sponsor: Randy Head, R-Logansport

- Adds the crime of promotion of human trafficking of a minor to the definitions of "sex offender" and "sex or violent offender".

Companion Animal Sterilization (HEA 1201, P.L. 201)

Author: Mike Karickhoff, R-Kokomo

Sponsor: Brandt Hershman, R-Buck Creek

IACT Comments: HEA 1201 requires cats and dogs in animal care facilities (including municipally-operated shelters) to be spayed or neutered before they may be adopted. Although municipally-operated facilities will see increased costs on the front end, there is data supporting the position that this will actually save money in the long term by reducing the costs associated with stray animals (e.g. police/fire runs and general animal control expenses).

- Authorizes the board of animal health to establish a registry of animal care facilities.
- Requires that beginning July 1, 2021, a dog or a cat in an animal care facility must be spayed or neutered before adoption from the facility.
- Defines "animal care facility" as an animal control center, an animal shelter, a humane society, or another animal impounding facility that has as its purpose the humane treatment of animals and that has dogs or cats that are available for adoption, including governmental and private entities and animal rescues.
- Exempts certain cats and dogs from the spay or neuter requirement.
- Requires that certain forfeited deposit amounts held by an animal care facility be remitted to the bureau of motor vehicles for deposit into a trust fund (established by the treasurer of state for a special group's license plate) for a special group that provides spay-neuter services.

Methamphetamine and Criminal Mischief (HEA 1211, P.L. 76)

Author: Martin Carbaugh, R-Fort Wayne

Sponsor: Liz Brown, R-Fort Wayne

IACT Comments: For more information on meth-related legislation, see SEA 80 and its companion bill SEA 161 below.

- Includes the attempted manufacture of methamphetamine in the statutory definition of "methamphetamine abuse."
- Requires law enforcement agencies to report fires related to methamphetamine abuse to the Indiana criminal justice institute.
- Makes it institutional criminal mischief, a Class A misdemeanor, for a person to recklessly, knowingly, or intentionally damage property: (1) that is vacant real property or a vacant structure; or (2) after the person has been denied entry to the property by a court order that was issued to the person or to the general public by conspicuous posting on or around the property in areas where a person could observe the order when the property has been designated by a municipality or county enforcement authority to be a vacant property, an abandoned property, or an abandoned structure.
- Makes the offense: (1) a Level 6 felony if the pecuniary loss is at least \$750 but less than \$50,000; and (2) a Level 5 felony if the pecuniary loss is at least \$50,000.
- Provides that, if the offense involved the use of graffiti, the court may order that the person's operator's license be suspended or invalidated by the bureau of motor vehicles for not more than one year.
- Makes it controlled substances criminal mischief, a Level 6 felony, for a person to recklessly, knowingly, or intentionally damage property: (1) during the dealing or manufacture of or attempted dealing or manufacture of cocaine or a narcotic drug or the dealing or attempted dealing of methamphetamine; and (2) by means of a fire or an explosion.
- Makes the offense a Level 5 felony if the offense results in moderate bodily injury to any person other than a defendant.
- Defines "pecuniary loss" for purposes of criminal mischief offenses

Sexual Assault Victims' Assistance Fund (HEA 1233, P.L. 77)

Author: Julie Olthoff, R-Merrillville

Sponsor: Michael Crider, R-Greenfield

- Defines the term "trauma informed sexual assault services."
- Requires the governor to appoint a member recommended by a sexual assault coalition recognized by the federal Centers for Disease Control and Prevention (CDC) to the sexual assault victim advocate standards and certification board.

- Renames the "sexual assault victims assistance account" as the "sexual assault victims assistance fund" (fund). Requires the victim services division (division) of the Indiana criminal justice institute to administer the fund.
- Requires the division to provide funding to: (1) establish and maintain rape crisis centers; (2) enhance services provided by existing rape crisis centers; and (3) develop, implement, and expand trauma informed sexual assault services.
- Allows the division to designate funds for program administration.
- Requires the division to seek direction from a statewide nonprofit sexual assault coalition designated by the CDC, if any exists, before making a distribution from the fund.
- Makes conforming amendments.

Various Natural Resources Matters (HEA 1246, P.L. 111)

Author: Shawn Eberhart, R-Shelbyville

Sponsor: Susan Glick, R-LaGrange

- Removes from the natural resources commission duties to administer parts of the flood control program and the flood control revolving fund. (Current law provides that the Indiana finance authority (authority) administer the program and fund.)
- Provides that an application to have land classified as native forest land, a forest plantation, or wildlands must be handled by the county assessor. (Current law requires the county auditor to handle the applications.)
- Provides that a person who operates certain boats that do not have an aft light commits a Class C infraction.
- Prohibits the use of unmanned aerial vehicles to scout game during the period beginning 14 days before the beginning of the hunting season and ending upon the expiration of legal hunting hours on the last day of the hunting season.
- Changes the name of the public information and education division of the department of natural resources (DNR) to the communications division.
- Specifies the type of flotation device that a person on a boat or personal watercraft must have.
- Amends the list of law enforcement offices that may be notified of a boating accident.
- Provides that the violation of certain boating rules is a Class C infraction.
- Allows the operator of a nonregistered off-road vehicle or a snowmobile from another state or country to purchase a trail use tag to operate on designated trails and properties.
- Allows the director of DNR to authorize the taking of wild animals on historic site property if certain conditions are met.
- Removes DNR's authority to issue commemorative migratory waterfowl and game bird habitat restoration stamps.
- Allows the manager of a public use airport, or the manager's designee, to trap coyotes and migratory birds without a license if the coyotes or birds pose a threat to aircraft.
- Repeals the dog training ground permit statute.

- Removes a provision concerning the application of hunter orange requirements during certain hunting seasons.
- Provides that a ginseng dealer who purchases or sells ginseng for resale or exportation without a license commits a Class B misdemeanor.
- Amends certain lien procedures on complete projects to restore or prevent adverse effects of past coal mining practices on privately owned land.
- Adds conservancy districts and certain wastewater treatment systems to the participants that may qualify for loans or other financial assistance.
- Removes the total loan limit, loan period, and fixed interest rate to a participant.
- Allows the authority to establish interest rates for each loan.
- Increases the registration fees for timber buyers and agents of timber buyers.
- Repeals a provision concerning the transition of rulemaking authority from the natural resources commission to the Indiana finance authority with respect to the administration of the flood control revolving fund.

Various Property Tax Matters (HEA 1273, P.L. 203)

Author: Dan Leonard, R-Huntington

Sponsor: Ryan Misher, R-Bremen

- Requires assessing officials to maintain geographic information system characteristics of real property parcels and to transmit that data annually to the geographic information office of the office of technology.
- Provides that personal property is exempt from property taxation if it is owned by a homeowners association and is held by the homeowners association for the use, benefit, or enjoyment of members of the homeowners association.
- Provides that a county auditor may accept a deduction application for a property tax abatement deduction only if the designating body has specified an abatement schedule for the deduction.
- Prohibits a taxing unit from transferring property tax receipts to the property tax assessment appeals fund if the property tax receipts are: (1) held in a debt service fund; or (2) treated as levy excess.
- Removes phrasing to emphasize that a political subdivision may not base an excess levy appeal on normal population growth.
- Removes obsolete provisions concerning excess levy appeals by political subdivisions.
- Modifies certain responsibilities of the division of data analysis of the department of local government finance.
- Authorizes the fiscal body of a township that is located next to certain counties or townships to pass a resolution to place on the ballot a local public question on whether the fiscal body of the eligible county should be required to fund and carry out a public transportation project in the township.

- Provides that if a public question regarding public transportation projects is defeated in a township, the fiscal body of the township may adopt a resolution to place another such public question on the ballot at a subsequent general election in the township, but specifies that such a public question may not be placed on the ballot in the township more than two times in any seven year period.
- Specifies the conditions under which a county fiscal body may impose an additional tax rate on county taxpayers who reside in a township that approves a local public question.
- Authorizes the provider unit in a fire protection territory to negotiate for and hold debt for the equipment replacement fund of a fire protection territory.
- Authorizes a participating unit in a fire protection territory to acquire fire protection equipment or other property and make the property available to the provider unit.
- Specifies the adjustments to the maximum permissible levy for a unit that ceases participation in a fire protection territory.
- Specifies the minimum number of taxpayers that must object to the imposition or increase of a tax rate for an equipment replacement fund of a fire protection territory.
- Authorizes a library to issue library cards at no charge to college students who attend a college in the library district.
- Requires a library to prorate the cost of a library card that is valid for less than one year.
- Allows a nonprofit entity that missed the applicable deadlines to claim the property tax exemptions to which it would otherwise have been entitled to submit the necessary paperwork to claim the exemptions.
- Repeals a provision authorizing a county fiscal body to adopt an ordinance to allow local agencies to require a person applying for a property tax exemption, a property tax deduction, a zoning change or zoning variance, a building permit, or any other locally issued license or permit to submit a uniform property tax disclosure form with the person's application for the property tax exemption, property tax deduction, zoning change or zoning variance, building permit, or other locally issued license or permit.

[Employment of Veterans as Public Safety Officers/1977 Fund Retirement Age \(HEA 1359, P.L. 115\)](#)

Author: Bob Morris, R-Fort Wayne

Sponsor: Liz Brown, R-Fort Wayne

- Waives the maximum hiring age restrictions that apply to the appointment and hiring of police officers and firefighters for an individual who is a veteran of the armed forces and who meets certain requirements.
- Provides that an individual who is appointed as a police officer or a firefighter as the result of a waiver is eligible to become a member of the 1977 police officers' and firefighters' pension and disability fund (1977 fund). Requires a member of the 1977 fund to retire at 70 years of age.

Juvenile Justice (HEA 1369, P.L. 88)

Author: Wendy McNamara, R-Mount Vernon

Sponsor: Travis Holdman, R-Markle

- Requires the commission on improving the status of children to: (1) study and evaluate innovative juvenile justice programs, including juvenile community corrections; and (2) consult with the justice reinvestment advisory council concerning how funds should be distributed for innovative juvenile justice programs and juvenile community corrections.

Various Alcohol, Tobacco, and E-liquid Matters (HEA 1386, P.L. 214)

Author: Tom Dermody, R-LaPorte

Sponsor: Ron Alting, R- Lafayette

- Allows, if certain conditions are met, the holder of a retailer permit that is issued for the premises of a hotel that is owned by an accredited college or university to sell or dispense, for on premise consumption only, alcoholic beverages from a: (1) nonpermanent bar that is located on; or (2) service window located on the licensed premises that opens to; an outside area or terrace that is contiguous to the main building of the licensed premises of the hotel.
- Allows the refilling of a bottle or container with a product from a farm winery.
- Allows the holder of an artisan distiller's permit to: (1) sell liquor for carryout on Sunday in a quantity at any one time of not more than four and five-tenths liters; and (2) with the approval of the alcohol and tobacco commission (commission), to participate in a trade show or an exposition for not more than 45 days in a calendar year.
- Clarifies that the holders of artisan distiller's permits, microbrewery permits, and farm winery permits may participate with one another in a trade show or exposition.
- Adds violations of certain tobacco and cigarette laws to the list of laws for which the commission may investigate and enforce penalties.
- Allows the commission to: (1) investigate; (2) enforce penalties; and (3) suspend or revoke tobacco sales certificates for failing to pay a civil penalty; if a certificate holder sells or distributes tobacco products or electronic cigarettes at a location determined to be a public nuisance or at which conduct or acts that are prohibited under IC 35 occur.
- Allows an alcoholic beverage permittee (permittee) or employee of the permittee to retain a driver's license, identification card, or government issued document (ID card) that is provided as proof of age for making an alcoholic beverage purchase, if the permittee has: (1) received alcohol server training; and (2) a reasonable belief that the ID card has been altered, falsified, or was not issued to the person who provided the card.
- Establishes requirements concerning retaining an ID card.
- Provides that the permittee is immune from civil or criminal liability for retaining an ID card, unless the permittee obtains the ID card by using force against the person.

- Allows the commission to issue, if certain conditions are met, a temporary beer permit for a festival or event to a person who has held a brewer's permit for a microbrewery for at least three years and meets other requirements.
- Amends the definition of "hotel," for purposes of the alcoholic and tobacco laws, to allow a hotel to have at least 25 separate sleeping rooms under separate roofs if certain conditions are met. (Current law defines a hotel as having at least 25 separate sleeping rooms under one continuous roof.)
- Provides that the department of natural resources (department) may apply for a three-way permit for a state park.
- Provides that the commission shall issue a permit to the department for a state park without: (1) publication of notice or investigation before a local board; and (2) regard to quota provisions.
- Provides that an annual permit fee for a three-way permit for a state park is \$250.
- Allows the holder of a club permit to designate one or more days in each calendar month as guest days, not to exceed a total of four guest days in any calendar month (instead of one day each week).
- Provides that the holder of a three-way permit that is issued to a premises located at a facility used in connection with the operation of a paved track more than two miles in length may sell sealed bottles of liquor or wine for consumption off the licensed premises: (1) from one or more locations on the premises; and (2) on the date of the Indianapolis 500 Race in the 2016 calendar year from 7 a.m., prevailing local time, to 7 p.m., prevailing local time.
- Requires the: (1) holder of the three-way permit to disclose to the commission, at least 14 days before the Indianapolis 500 Race, that the holder intends to sell the bottles; and (2) bottles to be decorative bottles commemorating the one hundredth anniversary of the Indianapolis 500 Race.
- Provides that if a permit holder: (1) holds one-way, two-way, or three-way permits that are issued, without regard for quota restrictions, for certain premises; and (2) holds a permit for a microbrewery that is located on or adjacent to those premises; the permit holder may sell, at those premises, beer manufactured at the microbrewery.
- Adds one additional three-way permit to the number of three-way permits that the commission may issue to the proprietor of a restaurant within or not more than 1,500 feet from a motorsports investment district.
- Prohibits the commission from issuing a beer dealer's permit to a package liquor store unless the proprietor of the package liquor store satisfies Indiana resident ownership requirements.
- Amends the ownership residency requirements for the issuance of an alcoholic beverage dealer's permit to a corporation, limited partnership, or limited liability company for the premises of a package liquor store.
- Allows the commission to renew or transfer ownership of an alcoholic beverage dealer's permit of any type for the holder of a dealer's permit who: (1) held the permit for the

premises of a package liquor store before January 1, 2016; and (2) does not qualify for the permit under the amended residency requirements.

- Allows the holder of a retailer's permit issued for the premises of a hotel or restaurant to temporarily amend floor plans to use a banquet or gathering space to sell or dispense alcoholic beverages from a temporary bar or service bar.
- Allows the commission to issue four new three-way permits to sell alcoholic beverages for on-premises consumption to applicants in Whitestown, Lebanon, Zionsville, Westfield, Carmel, and Fishers, with the total number of active permits issued not exceeding 24 permits at any time.
- Provides that the cost of the initial permits are \$40,000.
- Clarifies certain requirements regarding security firm requirements for e-liquid mixing, bottling, packaging, or selling.

Children in Need of Services (SEA 26, P.L. 16)

Author: Brent Steele, R-Bedford

Sponsor: Gregory Steuerwald, R-Danville

- Provides that a child is a child in need of services if the child needs care, treatment or rehabilitation and lives in the same household as an adult who: (1) committed certain offenses; or (2) has been charged with certain offenses and is awaiting trial. Makes conforming amendments.

Ephedrine and Pseudoephedrine (SEA 80, P.L. 4)

Author: Randy Head, R-Logansport

Sponsor: Benjamin Smaltz, R-Auburn

IACT Comments: Despite past legislative attempts to address the problem, Indiana continues to lead the nation in the number of meth labs. Although IACT's initial position this session was to support legislation making pseudoephedrine (a key ingredient in meth) a prescription-only product, we ultimately lobbied for the compromise approach in SEA 80 that had enough support to pass. It is our hope that this legislation will significantly reduce the number of meth labs in Indiana.

For more information on other meth-related bills, see companion bill SEA 161 and HEA 1211 below.

- Requires the Indiana board of pharmacy (board) to adopt emergency rules that are effective July 1, 2016, concerning: (1) professional determinations made; and (2) a relationship on record with the pharmacy; concerning the sale of ephedrine or pseudoephedrine.

- Requires the board to: (1) review professional determinations made; and (2) discipline a pharmacist who violates a rule concerning a professional determination made; concerning the sale of ephedrine or pseudoephedrine.
- Allows the board, in consultation with the state police, to declare a product to be an extraction resistant or a conversion resistant form of ephedrine or pseudoephedrine.
- Specifies that a person who is denied the sale of a nonprescription product containing pseudoephedrine or ephedrine is not prohibited from obtaining pseudoephedrine or ephedrine pursuant to a prescription.
- Provides that a pharmacist or pharmacy technician may determine that the purchaser has a relationship on record with the pharmacy, in compliance with rules adopted by the board.
- Allows a pharmacist to deny the sale of ephedrine or pseudoephedrine on the basis of the pharmacist's professional judgment, and provides the pharmacist with civil immunity for making such a denial.
- Provides that a purchaser who has a relationship on record with the pharmacy may purchase pseudoephedrine or ephedrine.
- Allows the pharmacist to provide certain pseudoephedrine or ephedrine products to a purchaser who does not have a relationship on record with the pharmacy or for whom the pharmacist has made a professional judgment that there is not a medical or pharmaceutical need.
- Adds ephedrine and pseudoephedrine to the definition of "controlled substance" for purposes of the Indiana scheduled prescription electronic collection and tracking (INSPECT) program.
- Removes an expired provision.
- Makes technical changes.

Regulation of Wild Animals and Hunting Preserves (SEA 109, P.L. 89)

Author: Mark Messmer, R-Jasper

Sponsor: Shawn Eberhart, R-Shelbyville

- Excludes the wild animal permit from the law requiring notice and hearing on an application for certain permits.
- Provides that certain fish and wildlife laws do not apply to certain legally owned captive bred cervidae and members of the bovidae family that may be hunted as permitted animals on hunting preserves.
- Provides for the initial licensing by the state board of animal health of hunting preserves on which permitted animals are hunted.
- Establishes licensing requirements, inspection requirements, and fees.
- Exempts licensed hunting preserves and cervidae livestock operations from the licensing requirements for game breeders.
- Exempts licensed hunting preserves from the licensing requirements for shooting preserves.

- Provides that hunters on hunting preserves are required to have a special hunting permit.
- Specifies the fees for special hunting permits.
- Provides that hunters on hunting preserves are not subject to bag limits.
- Requires that a transportation or cull tag be affixed to each animal taken on a hunting preserve.
- Prohibits computer assisted remote hunting on hunting preserves. Establishes penalties for certain violations.
- Establishes the captive cervidae programs fund.

Operating While Intoxicated (SEA 142, P.L. 26)

Author: R. Michael Young, R-Indianapolis

Sponsor: Gregory Steuerwald, R-Danville

- Provides that a person who commits the offense of causing the death of another person when operating a vehicle: (1) with an alcohol concentration equivalent to at least 0.08 gram of alcohol per 100 milliliters of the person's blood or 210 liters of the person's breath; (2) with a controlled substance listed in schedule I or II or its metabolite in the person's blood; or (3) while intoxicated; commits a Level 4 felony instead of a Level 5 felony if the person has a previous conviction of operating while intoxicated within 10 years preceding the commission of the offense instead of within five years preceding the commission of the offense.
- Provides that a person convicted of a Level 6 felony may be committed to the department of correction (DOC) if the person has received an enhanced sentence for being a habitual vehicular substance offender.
- Provides that a person who operates a motorboat while intoxicated (motorboat OWI) shall receive an enhanced penalty if the person has a previous conviction under a repealed version of the crime.

School Emergency Response Systems (SEA 147, P.L. 27)

Author: Phil Boots, R-Crawfordsville

Sponsor: Kevin Mahan, R-Hartford City

- Requires the department of homeland security (department) to establish minimum standards and approve best practices not later than July 1, 2017, for a school emergency response system.
- Defines the term "emergency response system." Defines the term "school property."
- Requires the department to establish emergency response system guidelines with input from the division of school building safety.

Excluded City Military Base Reuse Authority (SEA 151, P.L. 91)

Author: James Merritt, R-Indianapolis

Sponsor: John Price, R-Greenwood

- Provides absent an agreement in effect, the Fort Harrison reuse authority (authority) shall pay the city of Lawrence for: (1) police and fire protection at the same tax rate; and (2) utility services at the same rates and charges; imposed upon taxpayers in the excluded city.
- Provides that payments for city services are subordinate to debt service payments for bonds of the authority issued before January 1, 2016.

Pharmacists, Ephedrine, and Methamphetamine (SEA 161, P.L. 5)

Author: R. Michael Young, R-Indianapolis

Sponsor: David Frizzell, R-Indianapolis

IACT Comments: For more information on meth-related legislation, see companion bill SEA 80 and HEA 1211 above.

- Requires the division of state court administration to report certain methamphetamine-related felonies to the National Precursor Log Exchange (NPLEx) so that NPLEx can generate a stop sale alert to prevent persons convicted of those felonies from purchasing ephedrine or pseudoephedrine.
- Requires the Indiana board of pharmacy (board) to adopt emergency rules that are effective July 1, 2016, concerning: (1) professional determinations made; and (2) a relationship on record with the pharmacy; concerning the sale of ephedrine or pseudoephedrine.
- Authorizes the board to: (1) review professional determinations made; and (2) discipline a pharmacist who violates a rule concerning a professional determination made; concerning the sale of ephedrine or pseudoephedrine.
- Allows the board, in consultation with the state police, to declare a product to be an extraction resistant or a conversion resistant form of ephedrine or pseudoephedrine.
- Specifies that a person who is denied the sale of a nonprescription product containing pseudoephedrine or ephedrine is not prohibited from obtaining pseudoephedrine or ephedrine pursuant to a prescription.
- Provides that a pharmacist or pharmacy technician may determine that the purchaser has a relationship on record with the pharmacy, in compliance with rules adopted by the board.
- Allows a pharmacist to deny the sale of ephedrine or pseudoephedrine on the basis of the pharmacist's professional judgment, and provides the pharmacist with civil immunity for making such a denial.
- Provides that a purchaser who has a relationship on record with the pharmacy may purchase pseudoephedrine or ephedrine.
- Allows the pharmacist to provide certain pseudoephedrine or ephedrine products to a purchaser who does not have a relationship on record with the pharmacy or for whom the

pharmacist has made a professional judgment that there is not a medical or pharmaceutical need.

- Requires the Indiana scheduled prescription electronic collection and tracking (INSPECT) program to track ephedrine and pseudoephedrine dispensed pursuant to a prescription.
- Removes an expired provision. Makes technical changes.

Department of Health Matters (SEA 163, P.L. 29)

Author: Patricia Miller, R-Indianapolis

Sponsor: Cindy Kirchhofer, R-Beech Grove

- Allows the state department of health (state department) to use information from the cancer registry to conduct an investigation into the incidence of cancer diagnosis in a geographic region and to share the information with a local health department if certain conditions are met.
- Allows a local child fatality team to investigate the death of a child whose death occurred in the area served by the local child fatality review team.
- Requires that a report must be submitted to the state child fatality review coordinator before July 1 each year.
- Requires the state department to study the costs and benefits of implementing a data base for maintaining health care consents and specifies requirements of the study.
- Requires the state department to report its findings from the study to the legislative council before October 1, 2016.

Criminal Law Matters (SEA 174, P.L. 31)

Author: R. Michael Young, R-Indianapolis

Sponsor: David Frizzell, R-Indianapolis

- Provides that a person who, with intent to: (1) deceive; or (2) induce compliance with the person's instructions, orders, or requests; falsely represents that the person is a public servant, commits impersonation of a public servant, a Class A misdemeanor.
- Creates the offense of dealing in a controlled substance by a practitioner, and enhances the offense if the offenses causes the death of another person.

Real Property Offenses (SEA 183, P.L.32)

Author: Rodric Bray, R-Martinsville

Sponsor: John Price, R-Greenwood

- Amends the statute concerning criminal trespass to specify that a person commits criminal trespass if the person knowingly or intentionally enters or refuses to leave the real property of another person after having been prohibited from entering or asked to leave the real

property by a law enforcement officer when the real property is: (1) vacant real property or a vacant structure (both as defined by the statute concerning the abatement of vacant structures and abandoned structures); or (2) designated by a municipality or county enforcement authority to be abandoned property or an abandoned structure.

- Provides that a person who knowingly or intentionally damages, defaces, or permanently removes an object from real property that is the subject of a mortgage foreclosure proceeding commits foreclosure mischief, a Class B misdemeanor.
- Increases the penalty to a Class A misdemeanor if the damage caused is between \$750 and \$50,000, and to a Level 6 felony if the damage caused is \$50,000 or more.
- Establishes a defense to foreclosure mischief if the damage, removal, or defacement was the result of repair, renovation, replacement, or maintenance performed in good faith.

Overdose Intervention Drugs (SEA 187, P.L.6)

Author: James Merritt, R-Indianapolis

Sponsor: Wendy McNamara, R-Mount Vernon

- Provides that, if certain conditions are met, an individual who aided an individual in need of medical assistance due to an opioid-related overdose is immune from certain criminal prosecutions.
- Requires the Indiana State Department of Health (ISDH) to ensure that a statewide standing order for the dispensing of an overdose intervention drug is issued for Indiana.
- Allows the State Health Commissioner or a public health authority to issue a statewide standing order for the dispensing of an overdose intervention drug.
- Requires an entity acting under a standing order issued by a prescriber for an overdose intervention drug to report annually certain information to the ISDH.
- Requires certain emergency ambulance services responsible for submitting the report to report the number of times an overdose intervention drug has been administered.
- Requires the ambulance service to include the information in the emergency ambulance service's report to the Emergency Medical Services Commission under the emergency medical services system review.

Guardianship and Adult Protective Services Report (SEA 192, P.L.34)

Author: Michael Crider, R-Greenfield

Sponsor: Dale DeVon, R-Granger

- Requires the Indiana Family and Social Services Administration (FSSA), in cooperation with the Indiana Prosecuting Attorneys Council (IPAC), to prepare and submit a report to the Legislative Council before December 1, 2016, concerning adult protective services.
- Specifies that the report must include: (1) an estimation of appropriate staffing levels necessary to efficiently and effectively manage the investigations of reports of matters

related to the abuse, neglect, or exploitation of endangered adults; (2) identification of: (A) the circumstances that should result in emergency placement in the case of an adult protective services investigation; (B) the appropriate types of emergency placements based on those circumstances; and (C) strategies for improving emergency placement capabilities; (3) consideration of the benefits and cost of establishing a centralized intake system for reports of matters related to the abuse, neglect, or exploitation of endangered adults; (4) a statement of consistent standards of care for endangered adults; (5) a determination of the appropriate levels of training for employees who are involved in providing adult protective services; (6) a draft of a cooperative agreement between FSSA and IPAC that sets forth the duties and responsibilities of the agencies and county prosecuting attorney offices with regard to adult protective services; and (7) performance goals and accountability metrics for adult protective services to be incorporated in contracts and grant agreements.

- Provides that FSSA shall present the report to the State Budget Committee.
- Provides that the State Budget Committee shall consider the report in formulating the Committee's budget recommendations.
- Urges the Legislative Council to assign to the appropriate committee a study of the visitation, communication, and interaction with a protected person.

911 Fees (SEA 213, P.L.36)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Mike Karickhoff, R-Kokomo

IACT Comments: There is pending litigation between the Statewide 911 Board and several communication providers on the issue of payment into the Universal Service Fund. This legislation was an attempt to clarify legislators' intent with the collection of this fee.

- Eliminates the requirements that a communications service provider designated by the Indiana Utility Regulatory Commission as an eligible telecommunications carrier for purposes of receiving Lifeline reimbursement from the Universal Service Fund must pay to the Statewide 911 Board the following: (1) A one-time charge based on the enhanced prepaid wireless charge with respect to end users for which the provider received reimbursement from the Universal Service Fund before August 1, 2015. (2) A one-time fee based on the monthly statewide 911 fee with respect to end users for which the provider received reimbursement from the Universal Service Fund before August 1, 2015.
- Specifies that for purposes of the statute concerning the enhanced prepaid wireless charge: (1) a "retail transaction" does not include a transaction in which an eligible telecommunications carrier receives Lifeline reimbursement from the Universal Service Fund; and (2) the charge is not required to be paid by an eligible telecommunications carrier that is required to pay the monthly statewide 911 fee for the same transaction.
- Makes a technical change.

Traffic Enforcement in Residential Complexes (SEA 216, P.L.38)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Randy Truitt, R-West Lafayette

IACT Comments: SEA 216 allows local units and owners of residential complexes to enter into agreements to enforce moving traffic violations within residential complexes. This statute automatically expires at the end of 2020 and there is a data-gathering component as well, so this can be considered more of a pilot program than a permanent ability at this time.

- Allows a unit to enforce moving traffic ordinances on the property of a residential complex if the following apply: (1) The unit adopts an ordinance permitting the enforcement of such ordinances in residential complexes. (2) The owner of the residential complex enters into an enforcement contract with the unit. (3) The owner of the residential complex installs signs notifying residents and visitors of the enforcement of moving traffic ordinances.
- Requires a unit's law enforcement agency to issue e-tickets for moving violations in a residential complex if the law enforcement agency already issues e-tickets for other traffic violations.
- Provides certain immunities to the owner of a residential complex that enters into an enforcement contract with a unit.
- Provides that the statute expires December 31, 2020.
- Requires the Division of State Court Administration to submit reports to the Legislative Council relating to the enforcement of moving traffic ordinances on the property of residential complexes.

Driving Privileges Suspensions (SEA 248, P.L.41)

Author: Jon Ford, R-Terre Haute

Sponsor: Chuck Mosely, D-Portage

- Provides that when judgment has been imposed for committing two worksite speed limit violations within one year, an additional penalty of the suspension of the person's driving privileges for 60 days may be imposed by the court imposing the sentence for the second violation.
- Provides that specialized driving privileges may be granted to the person by the court for the purpose of operating a motor vehicle between the place of employment and residence of the person.

Drug Enforcement, Treatment, and Prevention (SEA 271, P.L.7)

Author: James Merritt, R-Indianapolis

Sponsor: Wendy McNamara, R-Mount Vernon

- Establishes the Indiana Commission to Combat Drug Abuse (ICCD A).
- Provides that the executive director of the Indiana Criminal Justice Institute (ICJI) has certain responsibilities concerning the ICCDA and local coordinating councils.
- Repeals the Commission for a Drug Free Indiana.
- Requires the ICJI to assume certain duties of the repealed Commission for a Drug Free Indiana concerning the approval of Comprehensive Drug Free Community Plans and Grants.

Criminal Law Matters (SEA 290, P.L.44)

Author: R. Michael Young, R-Indianapolis

Sponsor: Gregory Steuerwald, R-Danville

- Provides that a person may be convicted of possession with intent to manufacture or deliver a controlled substance without additional evidence of intent to manufacture or deliver if the person possesses more than a specified quantity of the controlled substance.
- Specifies that the fact that an individual has attended a syringe exchange program may not form any part of a probable cause or reasonable suspicion determination.
- Permits a person placed on home detention as a condition of pre-trial release to earn one day of good time credit for every four days served on pre-trial home detention.

Local Tax Matters (SEA 308, P.L.180)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Tim Brown, R-Crawfordsville

IACT Comments: SEA 308 contains language addressing one of IACT’s initiatives to allow fast growing communities to increase their property tax levy to provide additional revenue for municipal services. Although the levy growth language that ultimately passed in the bill is very narrow and benefits only a few communities, we are hopeful that there will be more discussion on this issue -- the bill contains language advising more study to be done by the Committee on Fiscal Policy. In addition, one of the most notable changes of the session is included in SEA 308 regarding farmland assessment. The changes made to the farmland assessment formula will result in a projected loss of revenue to local governments of \$23.3 million by 2019. Homeowners are the most likely group to see an increase in taxes due to the farmland assessment formula change. Finally, there is a mentionable provision regarding funding for Public Safety Answer Points (PSAP) that is also included in this act. For the 29 counties that have the County Option Income Tax, the county council may designate that 0.1% of the expenditure rate be designated for the local PSAP.

- Provides that when calculating the base rate for agricultural land for the January 1, 2016, assessment date and each assessment date thereafter, the Indiana Department of Local

Government Finance (DLGF) shall do the following: (1) Use the six most recent years preceding the year in which the assessment date occurs for which data is available (before the highest of those six years is eliminated when determining the rolling average). (2) After determining a preliminary base rate that would apply for the assessment date, adjust the preliminary base rate as follows: (A) If the preliminary base rate for the assessment date would be at least 10% greater than the final base rate determined for the preceding assessment date, a capitalization rate of 8% shall be used to determine the final base rate. (B) If the preliminary base rate for the assessment date would be at least 10% less than the final base rate determined for the preceding assessment date, a capitalization rate of 6% shall be used to determine the final base rate. (C) If the preliminary base rate for the assessment date is neither at least 10% greater nor at least 10% less than the final base rate determined for the preceding assessment date, a capitalization rate of 7% shall be used to determine the final base rate.

- Specifies that for purposes of the assessment of agricultural land, the soil productivity factors used for the March 1, 2011, assessment date shall be used for the January 1, 2016, assessment date and each assessment date thereafter. (Under current law, new soil productivity factors are to be used for assessment dates occurring after March 1, 2015.)
- Provides an exemption from the maximum property tax levy limits for a municipality in a year if: (1) the percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year is at least two times the assessed value growth quotient (AVGQ); and (2) the municipality's population increased by at least 150% between the last two decennial censuses.
- Specifies that such a municipality may increase its property tax levy in excess of the levy limits by a percentage equal to the lesser of 6% or the percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year.
- Urges a study by the Interim Study Committee on Fiscal Policy on the topic of allowing an exemption from the maximum levy limits for growing municipalities.
- Provides that Cain Township in Fountain County may increase its maximum township unit levy and its maximum levy for fire protection and emergency services for 2017.
- Limits the increase to what each of these levies would be for 2017 if the township had imposed the maximum amount for each of these levies since 2003.
- Permits the fiscal body of Howard Township in Washington County to adopt a resolution to authorize the township executive to request that the DLGF increase the township's maximum permissible property tax levy for 2017 and thereafter.
- Requires the DLGF to increase the maximum levy by 10%.
- Permits a county fiscal body to impose a local income tax (LIT) rate for a public safety emergency assistance answering point that is part of the statewide 911 system (PSAP) if the adopting body in the county is the LIT Council (formerly called the COIT Council) and the LIT Council has not allocated the revenue from an expenditure rate of at least 0.1% to a PSAP in the county.
- Specifies that the rate may not exceed 0.1%.

- Specifies that the revenue generated by the rate is to be paid only to the county unit and used only for a PSAP.
- Increases the assessed value per acre of classified forest land, classified windbreaks, and classified filter strips from \$1 per acre to \$13.29 per acre for the January 1, 2017 assessment date.
- For assessment dates after January 1, 2017, increases the assessed value by the annual percentage change in the Consumer Price Index.
- Deletes the requirement that an assessor shall examine and verify the accuracy of each personal property tax return filed by a taxpayer.
- Provides instead that an assessor may examine and verify the accuracy of a personal property tax return if the assessor considers the examination and verification of that personal property return to be useful to the accuracy of the assessment process.
- Adds certain types of property to the exemption for property used for public airport purposes.
- Authorizes a county fiscal body to adopt an ordinance to capture taxes from all taxing units in a taxing district when there is an appeal that is uncommon and infrequent.
- Specifies that such a taxing unit may not include these captured taxes as part of an appeal for a shortfall levy increase.
- Allows a county to use excess reserves in its Prisoner Reimbursement Fund for the costs of care, maintenance, and housing of prisoners, including the cost of housing prisoners in the facilities of another county.
- Expires under the Tax Increment Financing Law the downtown Indianapolis consolidated allocation area on January 1, 2051.

[Study on Permanent Funding of Child Rescue Programs and Funding Investigations of Internet Crimes Against Children \(SR 8\)](#)

Author: James Merritt, R-Indianapolis

- Urges the Legislative Council to assign to the appropriate study committee the topic of: (1) Creating permanent funding for child rescue programs; and (2) Funding investigations of Internet crimes against children.

Transportation

[Road Funding \(HEA 1001, P.L. 146\)](#)

Author: Edmond Soliday, R-Valparaiso

Sponsor: Luke Kenley, R- Noblesville

IACT Comments: HEA 1001 creates several new methods for funding infrastructure projects at the municipal level. First is the expansion of the wheel and excise surtax to municipalities with a

population greater than 10,000 people. The wheel tax and excise surtax must be implemented jointly by ordinance and must be passed by June 30th in order for the fees to be collected in the following calendar year. The wheel and excise surtax may be implemented at the city and town level even if your municipality is located in a County that has an existing wheel and surtax in place. The wheel tax on large trucks, RV's and busses may generate up to \$40 per vehicle and the excise surtax on small cars and trucks may generate up to \$25 per vehicle.

The second new revenue mechanism for infrastructure funding is the INDOT Local Road and Bridge Matching Grant Program. INDOT is still working on the final details of the program but Cities, Towns and Counties will be able to use revenue from their rainy day funds, SEA 67 special distribution funds or new revenue from passing a wheel and excise surtax as a match for the program. These are the only approved sources to use as a match. The match will be a 1:1 match for LRS type projects with no minimum request and a maximum grant match of \$500,000. The application process is expected to open in May with the first round of funds being distributed in the fall of 2016. The funding mechanism for the grants in 2016 will be provided from the state budget surplus and in the following years funding will be allocated from a portion of the sales tax collected on gasoline purchases.

HEA 1001 dedicated \$500,000 to the Local Technical Assistance Program at Purdue University to assist local governments with preparing asset management plans as well as creating a system for calculating infrastructure needs.

HEA 1001 also creates the Funding Indiana's Roads for a Stronger Safer Tomorrow (FIRSST) Task Force. The Task Force will be meeting prior to the 2017 legislative session to identify additional revenue mechanisms and concepts as Indiana looks to increase funding dedicated to infrastructure.

- At the end of state fiscal year 2016, transfers state reserves that exceed 11.5% of general revenue appropriations as follows: (1) 55% to the state highway fund. (2) 45% to the local road and bridge matching grant fund.
- Provides that use tax collected on sales of gasoline is distributed differently than ordinary sales and use tax collections.
- Allows a county that uses a transportation asset management plan approved by the Indiana department of transportation to impose the county motor vehicle license excise surtax and the county wheel tax at higher rates.
- Authorizes an eligible municipality to impose a municipal motor vehicle license excise surtax and a municipal wheel tax.
- Provides for the deposit of certain excise taxes and local taxes collected under the tax amnesty program, including funding for a third regional cities project, thirteenth pension checks in 2016, and next generation Hoosier educators scholarships.
- Requires a transfer of \$100,000,000 from the state general fund to the state highway fund instead of to the major moves 2020 trust fund in state fiscal year 2017 and provides that

the money transferred must be used only for preserving and reconstructing existing roads and bridges for which the department is responsible.

- Establishes the local road and bridge matching grant fund.
- Provides the following in the case of infraction judgments imposed in Clark County for toll violations after January 1, 2017: (1) The court shall impose a judgment of not less than \$35 for such an infraction judgment. (2) The funds collected for such an infraction judgment shall be transferred to a dedicated toll revenue fund created as part of the project and may be used only to pay the cost of operating, maintaining, and repairing the tolling system.
- Establishes the funding Indiana's roads for a stronger, safer tomorrow task force. Requires the task force to develop a long term plan for state highway and major bridge needs, including sustainable funding mechanisms for the various components of the plan.
- Makes appropriations for various highway and bridge maintenance purposes.
- Appropriates \$500,000 for the local technical assistance program to assist with the development and operation of local government transportation asset management plans and pavement management plans.

Interim Study Committee (HEA 1112, P.L. 152)

Author: Edmond Soliday, R-Valparaiso

Sponsor: Joseph Zakas, R-Granger

- Urges the legislative council to assign to the appropriate interim study committee the topic of transportation advisory boards.

Local Income Tax Distributions (SEA 67, P.L. 126)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Tim Brown, R-Crawfordsville

IACT Comments: SEA 67 is a special distribution from the LOIT Trust Reserve account. The state will distribute these funds no later than May 1st and the County Auditor will distribute them to Cities and Towns no later than June 1st. There is a requirement that 75% of these funds be used for Local Road and Street (LRS) purposes. The remaining 25% may be used for any general purpose. All of these funds may be used as a match for the INDOT Local Road and Bridge Matching Grant Program. IACT strongly encourages municipalities to use as much of the special distribution as possible as a match for the INDOT grant program. There is no time constraint when these funds must be used.

- Provides for a supplemental distribution of local income taxes when the balance in a county's local income tax trust account exceeds 15% (rather than 50%, under current law) of the certified distributions to be made to the county.

- Specifies the accounting, allocation method, and distribution requirements for supplemental distributions. Requires before May 2016 a one time special allocation of the balance in a county's trust account as of December 31, 2014.
- Provides that a taxing unit's allocation amount is to be determined in the same manner as a supplemental distribution would have generally been determined under the former income taxes.
- Requires a special distribution of the allocation amount. Provides that at least 75% of the distributions made to a county, city, or town must be: (1) used exclusively for local road construction, maintenance, or repair, or capital projects for aviation, including capital projects of an airport authority; or (2) deposited in a rainy day fund and later used for those purposes.
- Provides that any remaining distribution to a county, city, or town may be used for any purposes of the county, city, or town.
- Requires the allocation amount for other taxing units to be deposited in the taxing unit's rainy day fund.

Utilities

[Municipal Fees and Municipal Sanitary Sewer \(HEA 1075, P.L. 107\)](#)

Author: Greg Beumer, R-Modoc

Sponsor: Vaneta Becker, R-Evansville

IACT Comments: HEA 1075 allows property owners to opt out of connecting to a municipal sanitary sewer if they live outside of the corporate limits and they have their septic or wetland system certified as still functioning. The greater concern is that if a property owner can opt of connecting to a sewer system then the municipality will not be able to collect waivers against remonstrance that will maintain contiguity along the service line. Utilities should be much more hesitant to extend lines at the request of a developer or property owner as future annexations may be much more challenging.

There was also language included in HEA 1075 that modifies the billing procedures for rental unit communities. If the utility bills any customer for sewer service based on water consumption then they will need to bill the rental unit complex based on water consumption rather than number of units. The bill will remain for the entire complex, not each individual unit. This change will not take place until the next rate study or rate increase.

- Provides that if a wastewater utility charges different rates for different classes of property based at least partially on consumption, the utility must charge a rental unit community a rate based at least partially on consumption.
- Provides that, despite a contrary administrative rule, a person who uses a wastewater management vehicle to remove wastewater from a customer's sewage disposal system need

not show on the invoice provided to the customer: (1) the date on which the wastewater was removed; or (2) the amount of wastewater removed; if the sewage disposal system is a chemical toilet.

- Exempts a property owner from being required to connect to a municipality's sewer system and discontinue the use of the property owner's own sewage disposal system if: (1) the property is located outside the boundaries of the municipality; (2) the property owner's sewage disposal system is a septic tank soil absorption system or a constructed wetland septic system that was new at the time of installation and was approved in writing by the local health department; and (3) the property owner obtains a written determination from the local health department that the owner's sewage disposal system is not failing.
- Establishes a procedure and deadlines for applying for the exemption.
- Provides that the exemption is for 10 years beginning on the date on which the property owner's sewage disposal system was installed.
- Provides that an initial 10 year exemption may be renewed for not more than two additional five year periods as long as the conditions for the exemption continue to be met. Specifies that the total exemption period may not exceed 20 years.
- Provides that if ownership of the property is transferred during an exemption period, the exemption continues to apply to the property for the remainder of the exemption period and the transferee may apply for any exemption renewals for which the previous property owner would have been entitled to apply.
- Limits the amount that a property owner may be required to pay for connecting to the municipality's sewer system if the property owner, during an exemption period, consents to the connection.
- Provides that a person who gives a false report concerning a septic tank soil absorption system or constructed wetland septic system in order to qualify for the exemption, knowing the report to be false, commits false informing, a Class B misdemeanor.

[Distressed Water and Wastewater Utilities \(SEA 257, P.L.98\)](#)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: Eric Koch, R-Bedford

IACT Comments: SEA 257 eases the ability of a municipality with a distressed water or wastewater utility to sell the utility to a private entity. SEA 257 also made changes to allow a utility to receive payment for the full assessed value of their system by eliminating the language that prevented assets purchased with grant funds to be calculated into the utilities value. IACT remained neutral on the bill.

- Specifies that for purposes of the statute governing the acquisition of distressed water or wastewater utilities, a "utility company" includes, in addition to a regional sewer or water district, a: (1) public utility; (2) municipally-owned utility; or (3) not-for-profit utility; that provides water or wastewater service.

- Eliminates a provision under which the Indiana Utility Regulatory Commission (IURC) was not required to approve a petition by an acquiring utility company under the statute to recover the cost differentials associated with the purchase of a distressed utility unless the IURC found that the distressed utility being acquired: (1) served not more than 3,000 customers; or (2) was non-viable in the absence of the acquisition.
- Provides that the distressed utility being acquired is not furnishing or maintaining adequate, efficient, safe, and reasonable service and facilities for purposes of the statute if the IURC finds that the distressed utility: (1) is the property of a municipally-owned utility serving fewer than 5,000 customers; and (2) is being sold by an agreement between the parties that is subject to IURC approval.
- Provides that in a proceeding under the statute, the IURC shall issue its final order not later than 210 days after the filing of the petitioner's case in chief.
- For purposes of the statute governing the sale of non-surplus municipally-owned utility property: (1) provides that the municipal executive, in addition to the municipal legislative body (as provided under current law), may make the determination to sell or otherwise dispose of the property; and (2) replaces the requirement that the legislative body adopt an ordinance to appoint appraisers to appraise the property with the requirement that the legislative body or the municipal executive provide for the appointment of the appraisers in a written document that is subject to public inspection.
- Does the following in the case of an ordinance adopted after March 28, 2016, for the sale or disposition of non-surplus municipally-owned property: (1) Provides that the sale or disposition must be approved by the IURC. (2) Requires the IURC to approve the sale or disposition according to the terms and conditions proposed by the parties if the IURC finds that the terms and conditions are in the public interest. (3) Sets forth a process that applies to the IURC's determination of whether the proposed sale or disposition is in the public interest. (4) Provides that the purchase price of the non-surplus municipally-owned utility property shall be considered reasonable if it does not exceed the appraised value set forth in the required appraisal. (5) Requires the IURC to issue its final order not later than 210 days after the filing of the parties' case in chief. (6) Eliminates the referendum process with respect to the proposed sale or disposition if the IURC determines that certain factors are satisfied.
- Provides that for purposes of the statute and for sales of non-surplus municipally-owned utility property reached by an agreement between the parties, the IURC's order approving the petition or agreement shall authorize the acquiring utility company or purchaser to record as the original cost of the utility plant in service assets being acquired, allocated in a reasonable manner among appropriate utility in service accounts: (1) the full purchase price; (2) incidental expenses; and (3) other costs of acquisition.

[Water Resources \(SEA 347, P.L.102\)](#)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: David Wolkins, R-Winona Lake

- Repeals the law requiring all water utilities to annually report to the Indiana Utility Regulatory Commission (IURC) the utilities' operations and maintenance costs in providing water service to their customers.
- Requires the Indiana Finance Authority (IFA), before November 1, 2017, to prepare and submit to the Legislative Services Agency (LSA) a report on non-revenue water (the difference between the volume of water entering a water distribution system and the volume of water consumption billed to customers served by the water distribution system) and water loss in Indiana.
- Requires the IFA to perform a quality assurance review of the water resources data compiled from the reports submitted annually by owners of significant water withdrawal facilities for all calendar years since 1985, and to present the results of its quality assurance review as those results become available to the Water Rights and Use Section of the Division of Water of the Indiana Department of Natural Resources.
- Requires the IFA to study, analyze, and report to LSA the infrastructure needs of Indiana's water utilities by November 1, 2016.

System and Integrity Adjustments (SEA 383, P.L.104)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: Heath VanNatter, R-Kokomo

- Provides that an eligible water or wastewater utility may petition the Indiana Utility Regulatory Commission (IURC) to charge a system integrity adjustment to recover or credit an adjustment amount based on the eligible utility's revenues.
- Provides that the IURC, after a hearing, shall approve a properly calculated system integrity adjustment.
- Provides that a utility may collect a system integrity adjustment until the earlier of: (1) 48 months after the date on which the utility is allowed to begin collecting the system integrity adjustment; or (2) the date on which the commission issues an order in the utility's next general rate case proceeding.
- Requires the IURC to adopt rules concerning system integrity adjustment proceedings.
- Makes a technical correction.