

A faded, light blue-tinted image of the Indiana State Capitol building serves as the background for the lower two-thirds of the page. The building's central dome and classical columns are clearly visible.

2023 STATEHOUSE REPORT

Session Overview

The top priority for legislative leadership during the 2023 legislative session was producing the state's \$44.6 billion biennial budget. Education dominated discussions, including significant changes to school funding, and expanding the state's voucher program. Additional funding for public health and mental health was also heavily negotiated between key stakeholders. The budget was largely positive for cities and towns, featuring funding for READI 2.0, public health and a new housing infrastructure program.

Residential property taxes also loomed large this legislative session. The hot housing market in 2022 resulted in rising property tax assessments and increases in tax liability for the 2023 property tax bills. HEA 1499, SEA 325, and SEA 46 were all bills aimed at providing property tax relief for homeowners either through temporary changes to the property tax system or local options that counties can implement to provide targeted tax relief. The General Assembly plans to continue looking at the state and local tax structure, including property taxes via a task force established by SEA 3. Whether it's property taxes or local income taxes, Aim will continue to advocate for replacing any sources of local government revenue that are reduced or eliminated by the state legislature.

Public health was a major topic of conversation following Governor Holcomb's Public Health Commission that met in 2021 and 2022. The commission proposed sweeping new changes to Indiana's public health system, including a significant investment of state dollars which was funded at \$225M in the state's budget. SEA 4 provides the framework for how the new public health funding can be spent and adds municipal representation on local health boards. Aim was a vocal supporter of these significant changes that will result in healthier communities and improved quality of life.

SEA 1 focused on additional support for mental health programs throughout the state. It focused on funding a new 988 system for emergency response to mental health crises, creating mental health crisis response teams and creating mental health crisis response centers. It also establishes a new Behavioral Health Commission. Funding for the new system was hotly debated but was ultimately funded at \$100M in the budget. SEA 4 and SEA 1 are both steps in the right direction toward improving Indiana's health outcomes.

Several of Aim's legislative initiatives were considered this session and many were successful, including SEA 317, HEA 1005 and SEA 20. SEA 317 was an operational initiative that has been a priority of both ILMCT and Aim. It allows local units to prepay for goods and services up to 50% of the cost and no more than \$2M. Local units have long wanted the flexibility to put down deposits if required by vendors. But, with inflationary pressures and supply chain issues increasing in 2022, more and more vendors required these deposits. This change in market conditions spurred the General Assembly to approve this measure.

During the 2022 interim, the legislature convened a Housing Task Force to look at the challenges and barriers preventing new housing development in Indiana. Aim served on and presented to the task force, advocating for additional flexibility and tools to promote housing development. One of those recommendations was to expand the number of communities who could utilize the residential TIF tool. This change was incorporated into HEA 1005 which was the bill that came out of the task force. HEA 1005 removes the requirement that school boards approve a municipality's ability to use Residential TIF and removes the 1% test threshold. Prior to the passage of this bill, a municipality could only use Residential TIF if they had less than 1% growth in their housing stock over three years. Unless the General Assembly acts, these changes will sunset in 2027. HEA 1005 also includes the framework for a revolving loan fund for cities, towns, and counties to fund infrastructure associated with affordable housing development.

Finally, SEA 20 allows the creation of outdoor refreshment areas where alcohol can be carried out and consumed for special events or as a permanent amenity in communities. This has been a long-standing Aim initiative to create more local options for creating more flexible spaces for quality of place events and amenities.

In this publication, you will find the collection of new laws that have municipal importance or impact. Most of the laws go into effect on July 1, 2023. However, some laws have different effective dates, including retroactivity and upon passage. To view the legislation showing the effective dates, click on the link with the bill number and title. This will take you to information for that bill on the Indiana General Assembly's website, www.iga.in.gov.

We hope you will find the 2023 Aim Statehouse Report to be a useful tool in learning about the multitude of new laws that were adopted this year. As always, if you have questions about any piece of legislation or current law, contact a member of the Aim legislative team or Aim chief legal counsel for assistance.

We appreciate your input throughout the session and thank you for keeping your legislators informed about municipal matters that are important to you and your community!

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Accelerate Indiana
Municipalities

Administrative

2024
STATEHOUSE
REPORT

HEA 1001, P.L. 202 - STATE BUDGET

Author: Thompson (R-Lizton)

Sponsor: Mishler (R-Mishawaka)

Aim Comments

HEA 1001 outlines the state of Indiana's budget for the next two years, including specific line items for education, Medicaid, public safety, and capital expenditures. One provision in the budget accelerates the individual income tax rate cuts enacted in 2022 to lower the rate to 2.9% by 2027 instead of 2029. Another provision increases state police pay to a minimum salary of \$70,000 and shortens the salary matrix to give state police faster raises. The legislation also includes provisions in the back of the budget tied to specific programs, including READI 2.0 and a task force to review state and local road funding.

There are several line items in the budget that positively impact municipalities, including funding for:

- READI 2.0 - \$500M
- Residential Housing Infrastructure Assistance Program - \$75M
 - The program's framework and certain requirements are included in HEA 1005 (Housing)
- Public Health - \$225M
 - The framework for the funding is included in SEA 4 (Public Health Commission)
- Next Level Trails - \$30M
- Local Law Enforcement Training - \$10M
 - For the purpose of providing distributions to city, town, and county law enforcement agencies to conduct law enforcement training, including the purchase of supplies and training materials
 - A distribution to a law enforcement agency in a fiscal year may not exceed the amount that the law enforcement agency received from fees collected pursuant to IC 35-47-2-3 in calendar year 2020
- Community Mental Health - \$100M
 - Specifics on this allocation can be found in SEA 1 (Behavioral Health Matters)
- Regional Mental Health Facility Grants - \$10M
 - Grants to support a regional approach to mental health services for incarcerated individuals

In addition to specific line items, there are several other provisions in the budget that impact municipalities outlined below:

- READI 2.0
 - Language that was included in the Senate-passed version of the budget giving preference to RDAs was removed; however, language was added that requires the grants or loans awarded from the READI fund be used for capital projects or infrastructure improvements
 - Language in HEA 1454 (Department of Local Government Finance) adds additional eligible expenditures, including costs associated with housing and associated infrastructure, support for community mental health and public health and broadband in specific situations
 - HEA 1001 prohibits broadband projects from being funded by READI 2.0 if they are not in compliance with the requirements of Next Level Connections
 - HEA 1454 also prohibits broadband projects from being funded by READI if other funding sources for broadband have not been exhausted and if the projects don't meet the Next Level Connections criteria
- Opioid Settlement Language
 - Distributions of less than \$5,000 from the local abatement opioid settlement account will be distributed to the county instead
 - The previous threshold was \$1,000
- SBOA Audit Fee Increase
 - SBOA can now charge 50% of the actual direct and indirect cost of performing an audit examination but the total amount cannot exceed \$400 per day
 - The previous amount was \$175 per day
 - The audit committee will annually review the amounts charged to ensure that the cost of performing an audit does not exceed an amount equal to eighty percent (80%) of the market rate cost

- Fuel Tax Indexing
 - Fuel tax indexing is extended through 2027
 - This is an important source of revenue for local units of government
- FIRSST Task Force
 - The budget reestablishes the Funding Indiana's Roads for a Stronger, Safer Tomorrow Task Force which was the Task Force responsible for the 2017 road funding package
 - Charges of the task force include verifying road and bridge needs at the local level, developing a long-term plan for local road and bridge needs, reviewing long term impact of electric and hybrid vehicles, evaluating the current system of taxes, fees, and registration fees.
- Billboards
 - Language was added to the budget that clarified that if a county or municipality did not approve the relocation of a billboard within the market area, the local unit is responsible for the payment of full and just compensation for the outdoor advertising sign under IC 8-23-20-27

Summary of Provisions

- Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes.
- Requires a researcher to execute a data sharing agreement that is approved by the management performance hub to receive access to confidential records.
- Provides that the auditor of state is also known as the state comptroller.
- Provides that, after June 30, 2023, the auditor of state shall use the title "state comptroller" in conducting state business, in all contracts, on business cards, on stationery, and with other means of communication as necessary.
- Establishes the attorney general contingency fee fund.
- Establishes the:
 - (1) state opioid settlement fund; and
 - (2) local opioid settlement fund; into which funds received from opioid litigation settlements must be deposited.
- Provides that the office of the inspector general shall provide informal advisory opinions and that the opinions are confidential.
- Allows the budget committee to submit the budget report and budget bill or bills to the governor on or before the second Monday of January, or the third Monday of January in the year in which a gubernatorial election is held (instead of before that date).
- Requires the state personnel department to require a contractor, when contracting for health care coverage for state employees, to use value based coverage.
- Repeals a provision that makes a state general fund appropriation to the board of trustees of the Indiana public retirement system if the money available in the special death benefits fund is insufficient to pay death benefit claims.
- Allows the Indiana economic development corporation (IEDC) to certify an applicable tax credit that exceeds the maximum allowable amount after review by the budget committee.
- Provides that the regional economic acceleration and development initiative program expires June 30, 2026.
- Specifies that the county or municipality that did not approve the relocation of an outdoor advertising sign is responsible for compensation of the taking of the outdoor advertising sign.
- Provides that an owner may relocate an outdoor advertising sign that is subject to a pending eminent domain action.
- Allows an individual to claim an increased exemption amount for a dependent child in the first year in which the exemption amount may be claimed for the child.
- Reduces the individual income tax rate to 2.9% by 2027 and eliminates all trigger provisions in current law.
- Establishes the regional public safety training fund. Repeals provisions relating to the establishment of the:
 - (1) Indiana homeland security foundation;
 - (2) Indiana homeland security fund; and

- (3) fire training infrastructure fund.
- Allows certain members of the public employees' retirement fund or Indiana state teachers' retirement fund to file an election to begin receiving retirement benefits while holding a position.
- Changes the state police pre-1987 benefit and supplemental pension benefit calculation from being based on the sixth year of service to the fourth year of service.
- Repeals the public mass transportation fund.
- Repeals the financial responsibility compliance verification fund.
- Changes the number of years of service on which the salary matrix for state police employees is based to 15 years (instead of 20 years).
- Requires the department of correction to deposit the amount appropriated for the county misdemeanor fund by a county's multiplier.
- Requires the office of Medicaid policy and planning (office) to:
 - (1) develop a schedule for the review of Medicaid reimbursement rates; and
 - (2) provide a copy of the schedule to the budget committee; not later than November 1, 2023.
- Creates the residential water testing fund to test the water supply of an individual property owner of an eligible township.
- Requires the director of the state personnel department to submit a revision or adjustment to a pay plan developed for state employees to the state budget committee for review before the revision may take effect.
- Provides that the general assembly shall convene:
 - (1) on the second Tuesday after the first Monday in June for the first regular technical session; and
 - (2) on the second Tuesday after the first Monday in May for the second regular technical session.
- Provides that a technical session is not required to convene if the president pro tempore and the speaker jointly issue an order that convening is not necessary.
- Requires the general assembly to convene no later than the fourth Monday in January after organization day.
- Repeals provisions relating to emergency sessions and makes conforming amendments.
- Recouples the state earned income tax credit qualifications with the federal earned income tax credit qualifications under the Internal Revenue Code as in effect January 1, 2023.
- Requires a contractor that provides tangible personal property incorporated into real property in a project located in an innovation development district to maintain records of all state gross retail and use tax paid or collected during a state fiscal year.
- Adds state adjusted gross income taxes paid by an individual who is not an employee with respect to income received for services performed in an innovation development district for purposes of calculating income tax incremental amounts.
- Establishes the commission on improving the status of children fund to support the staffing and operations of the commission.
- Provides that a part of state user fees shall be deposited in the Indiana secured school fund.
- Repeals the distribution schedule for appropriations made for certain child development programs.
- Requires the department of local government finance to prepare an annual report and abstract concerning property tax data (instead of the auditor of state).
- Deletes reimbursement rate parameters for reimbursement of managed care organizations under the healthy Indiana plan.
- Extends the sunset of the collection of hospital assessment fees and health facility quality assessment fees from June 30, 2023, to June 30, 2025.
- Increases the total number of adult learner students at the Excel Centers for Adult Learners and Christel House DORS centers for whom the school may receive state funding.
- Establishes the Indiana education scholarship account donation fund to accept donations for administration of the Indiana education scholarship account program.
- Repeals the special education fund.
- Establishes a state tax credit for a taxpayer that makes certain qualified child care expenditures in providing child care to the taxpayer's employees.
- Extends provisions for the gasoline tax and the special fuel tax rates.

- Amends a statute concerning powers and duties of a regional water, sewage, or solid waste district established under prior law.
- Extends the sunset for the invasive species council and fund from July 1, 2023, to July 1, 2031.
- Prohibits school corporations and charter schools from charging a fee for curricular materials to students.
- Provides that the parent of a student or an emancipated minor who attends an accredited nonpublic school and who meets financial eligibility requirements may request reimbursement of fees charged for curricular materials.
- Establishes the curricular materials fund.
- Requires a county auditor to distribute a portion of revenue received from an operations fund levy imposed by a school corporation located in certain counties to certain charter schools (excludes school corporations that are designated as a distressed political subdivision).
- Requires charter schools that receive a distribution of tax levy revenue to establish an operations fund and education fund under the same provisions that apply to school corporations.
- Provides that in order to receive a distribution of tax levy revenue, a charter school must adopt a budget for the school year following a public meeting.
- Provides funding amounts for schools.
- Establishes the credential completion grant. Removes pathways for choice scholarship eligibility.
- Increases the annual income maximum for choice scholarship eligibility.
- Provides that a school corporation is eligible for an academic performance grant.
- Provides that state user fees remaining after required distributions shall be distributed to the state general fund (instead of the court technology fund).
- Makes certain amendments to the juvenile diversion grant program, the juvenile community alternatives grant program, and the juvenile behavioral health competitive grant pilot program (programs).
- Requires grants for the programs to be administered by the Indiana criminal justice institute in consultation with the juvenile justice oversight committee (oversight committee) and the grant process workgroup created by the oversight committee, taking into consideration the grant program report prepared and submitted to the commission on improving the status of children in Indiana by the oversight committee.
- Requires the state comptroller to deposit distributions of pro bono legal services fees received from the:
 - (1) clerk of a circuit court;
 - (2) clerk of a city or town court; or
 - (3) Marion County small claims court; in the pro bono legal services fund.
- Requires the commission for higher education to create a separate higher educational operating funding outcomes-based formula (funding formula) for Ivy Tech Community College.
- Requires, on or before July 1, 2023, budget committee review of all the funding formulas created and approved by the commission for higher education.
- Provides that state appropriations may not be used to pay for the administration, operation, or programs of the Kinsey Institute for Research in Sex, Gender, and Reproduction.
- Provides that the legislative body of a first-class city may adopt an ordinance to establish a special assessment district known as an economic enhancement district.
- Provides certain requirements for the ordinance and imposition of a special assessment.
- Requires the legislative body of the first-class city that establishes an economic enhancement district to establish an economic enhancement district board.
- Extends the judicial and legislative branch leave conversion pilot program through June 30, 2025.
- Establishes the northeast Indiana strategic development fund administered by the northeast Indiana strategic development commission.
- Provides that if the amount of excess combined reserves in 2024 or 2025 exceeds \$3,000,000,000, the amount that exceeds \$3,000,000,000 is transferred to the pre-1996 account.
- Establishes the regional economic acceleration and development initiative 2.0 fund (READI 2.0).
- Requires the IEDC to develop a policy for a READI 2.0 program. Provides that money in the READI 2.0 fund may be used to:
 - (1) support the IEDC's READI 2.0 program; and

(2) provide grants or loans to support proposals for economic development and regional economic acceleration and development.

- Establishes the attainable homeownership tax credit for a taxpayer who makes a contribution to an affordable housing organization.
- Establishes the Medicaid oversight committee.
- Requires the Medicaid oversight committee to review, consider, and make recommendations concerning all requests for new services and changes in existing services for the Medicaid program.
- Provides that unexpended and unencumbered amounts appropriated from the federal economic stimulus fund in the state fiscal year ending before July 1, 2023, do not revert to the state general fund.
- Provides that unexpended and unencumbered amounts appropriated to the legislative services agency in a state fiscal year ending before July 1, 2024, do not revert to the state general fund.
- Requires the state comptroller to transfer \$85,000,000 from the tobacco master settlement agreement fund to the state construction fund on July 1, 2023.
- Appropriates money for various purposes for the state fiscal year ending June 30, 2023.
- Urges the legislative council to assign to an appropriate interim study committee the task of studying specific issues pertaining to the feasibility of the department of child services contracting with private attorneys to perform legal services and provide representation in certain cases instead of employing staff attorneys within the department of child services for those purposes.
- Requires the Indiana public retirement system to study and report and present on certain topics to the interim study committee on pension management oversight before November 1, 2023.
- Establishes the funding Indiana's roads for a stronger, safer tomorrow task force.
- Makes conforming changes.

HEA 1005, P.L. 205 - HOUSING

Author: Miller (R-Elkhart)

Sponsor: Rogers (R-Granger)

Aim Comments

The Indiana General Assembly took a comprehensive look at the barriers and opportunities for housing growth in the state by convening a Housing Task Force last summer, on which Aim served and testified. The task force concluded with several recommendations for action by the General Assembly this session. HEA 1005 is a House Republican agenda bill that came from the task force and was supported by Aim. It includes a framework for a revolving loan fund (not a grant program) to be run by the Indiana Finance Authority to support infrastructure for housing projects and includes an Aim legislative initiative related to Residential TIF.

Specific to the revolving loan fund, 70% of the money in the fund must be used for housing infrastructure in municipalities with a population of less than 50,000. 30% of the money in the fund must be used for housing infrastructure in larger subdivisions. The IFA must establish a priority ranking system that prioritizes projects in communities that voluntarily waive certain standards and fees for the specific project. In addition, the IFA will prioritize projects for communities who have invested in a housing study. It is funded in the budget at \$75M.

HEA 1005 also includes language that Aim strongly supported to allow more communities to access the Residential TIF tool. Language in the bill removes the requirement that school boards approve a municipality's ability to use Residential TIF and removes the 1% test threshold. Under current law, a municipality could only use Residential TIF if they had less than 1% growth in their housing stock over three years.

The Indiana General Assembly did include additional guardrails related to Residential TIF in HEA 1005 and HEA 1454. HEA 1005 limits a residential housing development program to 20 years instead of the 25 years in current statute. HEA 1454 sunsets the changes in HB 1005 with respect to Housing TIF in 4 years after which point the Residential TIF statute reverts to having the 1% threshold and school board approval. HEA 1454 also requires the RDC to report the number of houses completed under the Residential TIF program and the average price of the house sold in the allocation area.

Summary of Provisions

- Establishes the residential housing infrastructure assistance program (program) and residential housing infrastructure assistance revolving fund (fund).
- Provides that the Indiana finance authority (authority) shall administer the fund and program.
- Provides that political subdivisions may apply to the fund for loans for certain infrastructure projects related to the development of residential housing.
- Provides that money in the fund may not be used for:
 - (1) debt repayment;
 - (2) maintenance and repair projects;
 - (3) upgrading utility poles; or
 - (4) consulting or engineering fees for studies, reports, designs, or analyses.
- Provides that loans from the fund must be allocated as follows:
 - (1) 70% of the money in the fund must be used for housing infrastructure in municipalities with a population of less than 50,000.
 - (2) 30% of the money in the fund must be used for housing infrastructure in all other political subdivisions.
- Requires the authority to establish a project prioritization system for the purpose of awarding loans from the fund and specifies the criteria that must be included in the project prioritization system.
- Allows the authority to establish a leveraged loan program to or for the benefit of program participants.
- Requires the public finance director to prepare an annual report of the fund's activities for the legislative council and the budget committee.
- Provides that the fiscal body of a county may adopt an ordinance to designate an economic development target area.
- Removes the threshold conditions for establishing a residential housing development program and a tax increment allocation area for the program, including the condition that the governing body of each school corporation affected by the program pass a resolution approving the program before the program may go into effect.
- Changes the duration of a residential housing development program from 25 years (under current law) to 20 years after the date on which the first obligation for program is incurred.
- Makes a continuing appropriation.

HEA 1006, P.L. 206 - MENTAL HEALTH PROGRAMS

Author: Steuerwald (R-Avon)

Sponsor: Freeman (R-Indianapolis)

Aim Comments

HEA 1006 is an attempt by the General Assembly to help communities provide support for individuals experiencing a mental health crisis. The legislation allows for people experiencing mental health struggles to be diverted to local treatment facilities for treatment instead of being sent to jail. It sets out rules and a timeline for how a person who has been arrested should be evaluated, treated, and potentially committed for mental illnesses.

The law allows physician assistants and advanced practice nurses to examine the person, but only a doctor can sign off on a petition to detain and commit the person.

HEA 1006 also establishes a local mental health referral program to provide necessary mental health treatment for individuals who have been arrested and was funded with a \$10M appropriation in the state's budget.

Summary of Provisions

- Specifies the circumstances under which a person may be involuntarily committed to a facility for mental health services and specifies that these services are medically necessary when provided in accordance with generally accepted clinical care guidelines.

- Establishes a local mental health referral program to provide mental health treatment for certain persons who have been arrested.
- Repeals obsolete provisions and makes technical corrections.

HEA 1008, P.L. 206 - PENSION INVESTMENTS

Author: Manning (R-Denver)

Sponsor: Holdman (R-Markle)

Summary of Provisions

- Specifies certain entities, actions taken, or factors considered to which the ESG commitment provisions do not apply.
- Provides that if the treasurer of state concludes that the service provider has made an ESG commitment, the treasurer of state shall provide the name of the service provider and research supporting the conclusion to the board of trustees of the Indiana public retirement system (board).
- Prohibits the board from making an investment decision with the purpose of influencing any social or environmental policy or attempting to influence the governance of any corporation for nonfinancial purposes.
- Prohibits the Indiana public retirement system (system) from making an ESG commitment with respect to system assets.
- Provides that in making and supervising investments of the system, the board shall discharge its duties solely in the financial interest of the participants and beneficiaries of the system for the exclusive purposes of providing financial benefits to participants and beneficiaries and defraying reasonable expenses of administering the system.
- Provides that the board, in accordance with certain fiduciary duties, shall make investment decisions with the primary purpose of maximizing the target rate of return on the board's investments.
- Prohibits the board from entering a contract or modifying, amending, or continuing a contract with a service provider that has made an ESG commitment unless taking the action violates the board's fiduciary duty to the system's participants and beneficiaries.
- Requires the board to continue contracting with a service provider that has made an ESG commitment if the board determines that there is not a comparable service provider to replace the service provider.
- Requires the board to, at least annually, tabulate and report all proxy votes made by a service provider that is not a private market fund in relation to the administration of the system.
- Specifies certain persons and entities that are immune from civil liability and entitled to indemnification.
- Requires the board to:
 - (1) ensure that reasonable efforts are made during the due diligence process before an investment is made and in monitoring investments in the public employees' defined contribution plan, an annuity savings account for the public employees' retirement fund or the Indiana state teachers' retirement fund, the teachers' defined contribution plan, the legislators' defined contribution plan, and a private market fund to determine whether any investments would violate the requirement that the board discharge its duties solely in the financial interest of the participants and beneficiaries of the system; and
 - (2) take appropriate action, if necessary, consistent with the board's fiduciary duties.
- Defines terms and makes conforming amendments.

HEA 1016, P.L. 207 - POLICE AND FIRE MERIT SYSTEMS

Author: Pressel (R-Rolling Prairie)

Sponsor: Sandlin (R-Indianapolis)

Aim Comments

HEA 1016 automatically requires certain communities who do not currently have a merit system for police or fire to have one if they meet certain population and employment parameters. Aim opposed this language. While Aim did not take a position on whether a merit system is the best option for communities, Aim opposed the elimination of local decision making relative to adopting a merit system. Under current law, the municipality's

legislative body – a city or town council – passes an ordinance to establish a merit system to make important decisions related to hiring, promotions, demotions and disciplinary action or firing.

However, the final version of HEA 1016 automatically opts-in those communities who do not currently have a merit system into having one if they serve a population over 20,000 and have at least 12 full-time police or fire employees. In addition to the automatic opt-in, there is an added hurdle to opt-out. To opt-out within the first four years, BOTH the legislative body AND the majority of the full-time public safety officers would have to opt out. This essentially flips the process on its head. Even if a legislative body wanted to keep their current system in place, they couldn't if the public safety group decides to opt out after the first four years.

Summary of Provisions

- Allows a fire protection district or fire protection territory to establish a merit system.
- Provides that unless a resolution or ordinance to establish a merit system is rejected not later than December 31, 2024, a merit system is established on January 1, 2025, for eligible:
 - (1) city and town police and fire departments and township fire departments; and
 - (2) fire protection districts and fire protection territories.
- Provides that the merit system may be dissolved after January 1, 2025.
- Requires a unit, district, or territory to vote to either retain or dissolve the merit system after January 1, 2029, and before January 31, 2029.
- Repeals a provision containing definitions and moves the definitions to another location.

HEA 1025, P.L. 57 - FIREFIGHTER DISCIPLINE

Author: Torr (R-Carmel)

Sponsor: Sandlin (R-Indianapolis)

Summary of Provisions

- Provides that a fire department of a fire protection district or fire protection territory is subject to certain disciplinary and due process requirements.

HEA 1040, P.L. 58 - REQUIREMENTS FOR ELECTED OFFICIALS

Author: Lehman (R-Berne)

Sponsor: Bassler (R-Washington)

Aim Comments

HEA 1040 was a priority bill for the Indiana State Board of Accounts (SBOA). It contains multiple provisions impacting municipal officials, including new training requirements for controllers and clerk-treasurers, recourse for SBOA to deal with “unauditable” communities and another option to fill a vacancy for the office of Clerk-Treasurer.

Aim looks forward to partnering with the SBOA on the new training requirements for current and newly elected or appointed municipal fiscal officials. Municipal fiscal officials are required to attend an approved, annual training a minimum of once every two years. The SBOA must annually call a conference for city and town controllers and clerk-treasurers to receive training. SBOA will keep attendance of the officials who attend the training and publish it on their website. In addition, an individual first elected or appointed to an office shall complete five hours of approved training courses before the individual first takes office.

Another provision in the bill deals with “unauditable communities.” If an audit cannot be performed due to poor record-keeping, an entity can be deemed unauditable by the SBOA. The community is given 90 days to become auditable. If they remain unauditable, the SBOA will include them on a published list of entities declared unauditable. In addition, if the controller, clerk or clerk-treasurer is unable to meet the 90-day requirement, the municipality shall hire or contract with a qualified CPA to receive guidance.

Finally, if a city or town is unable to fill a vacancy for clerk-treasurer using the existing statute, the municipality may hire any qualified person to perform the duties until the vacancy can be filled under current statute or until the end of the current term, whichever is first.

Summary of Provisions

- Provides that if an examination of an audited entity is unable to be performed because the audited entity's accounts, records, files, or reports are not properly maintained or reconciled, the entity may be declared unauditale.
- Requires an unauditale entity to bring its accounts, records, files, or reports into an auditale condition within 90 days.
- Requires the state board of accounts (SBOA) to publish a list of entities declared to be unauditale on the SBOA's website.
- Provides that if an entity is declared unauditale and the fiscal officer is unable to perform the fiscal requirements of their position, the entity is required to hire outside assistance for guidance or to perform the fiscal requirements.
- Clarifies an exception regarding the liability of an elected official for acts that constitute gross negligence or intentional disregard of the official's duties.
- Requires the SBOA to annually call a conference for:
 - (1) city and town controllers and clerk-treasurers, newly appointed city and town controllers, and city and town clerk-treasurers elect; and
 - (2) township trustees and township trustees elect.
- Provides that elected officials must attend training every two years and that the SBOA shall keep attendance of elected officials and publish it on the SBOA's website.
- Makes an exception for school corporation treasurer personal liability.
- Provides that if there is an office of town clerk-treasurer that is vacant, and the town legislative body is unable to fill the office, the town legislative body may either:
 - (1) enter into a local agreement with the town clerk-treasurer and town legislative body of another town in the state to assist a selected town legislative body member in performing the duties of the clerk-treasurer's office; or
 - (2) enter into a contract with a certified public accountant to assist the town legislative body member in performing the duties of the clerk-treasurer's office. (Current law provides that the town legislative body may only enter into a contract with a certified public accountant after the town legislative body is unable to reach an agreement with another town.)
- Provides that if, after reasonable diligence, a town may hire any qualified person to perform the duties of the clerk-treasurer's office until the vacancy can be filled, or until the end of the current clerk-treasurer's term, whichever is first.
- Provides that newly elected officials shall complete five hours of training before taking office.
- Provides that elected officials shall certify completion of training requirements to the SBOA annually.
- Excludes self-supporting school lunch and the rental or sale of curricular materials as programs that may be established as separate funds.
- Repeals obsolete provisions.
- Makes technical corrections.

HEA 1041, P.L. 59 - STATE BOARD OF ACCOUNTS

Author: Lehman (R-Berne)

Sponsor: Bassler (R-Washington)

Summary of Provisions

- Provides that the state board of accounts (SBOA) is designated as the independent external auditor of audited entities and is subject to applicable professional accounting standards.
- Requires annual reports to be prepared, verified, and filed with the state examiner as set forth in the uniform compliance guidelines.
- Requires all appointments of field examiners be made solely upon the ground of fitness in accordance with professional accounting and auditing standards.

- Provides that if an examination of an audited entity is unable to be performed because the audited entity's accounts, records, files, or reports are not properly maintained or reconciled, the audited entity may be declared to be unauditable.
- Provides that an audited entity that is declared unauditable shall bring its accounts, records, files, or reports into an auditable condition within 90 days.
- Requires the SBOA to publish a list of audited entities declared unauditable on its website.
- Revises conditions under which the state examiner may undertake an examination based on a violation of the law.
- Requires the SBOA to approve a request by an audited entity to opt out of examinations and engage a certified public accountant to conduct examinations if, within the last six years, the SBOA has not issued an examination or special investigation report critical of the audited entity's internal controls and there have been no adverse reports.
- Provides that the SBOA may terminate its approval of the use of a certified public accountant if certain requirements are not met.
- Revises the provision regarding field examiner traveling expenses.
- Makes changes to certain reporting, resolution, and disclosure requirements. Simplifies the provision regarding parties and a plaintiff's right of recovery.
- Removes provisions regarding additional powers of the state examiner and attorney general.
- Provides that if the attorney general brings an action against an official bond, official bonds, or a crime insurance policy, the cause may be brought in the name of the state of Indiana upon the relation of the attorney general as plaintiff.
- Repeals a provision regarding the withdrawal or removal of counties from solid waste management districts.
- Repeals a provision regarding bonds and crime policies for faithful performance.
- Repeals a provision regarding examination reports, requisites, performance of public works, and SBOA powers.
- Repeals a provision regarding copies of reports filed with libraries, public inspections, and request renewals.
- Makes technical and conforming changes.

HEA 1046, P.L. 210 - TRANSPORTATION MATTERS

Author: Morrison (R-Brazil)

Sponsor: Deery (R-West Lafayette)

Summary of Provisions

- Provides that a transit development district may be established in a municipality that is located in a county that is a member of the development authority and has operated regularly scheduled commuter bus services to Chicago, Illinois, with prior financial assistance from the development authority, and shuttle bus services that transport riders to a train station or a regular train stop along the Chicago to South Bend line.
- Provides for a public transportation corporation located in a county having a population of more than 185,000 and less than 200,000 to expand service beyond the boundary of the county to an adjacent county if the counties have entered an interlocal cooperation agreement to expand service.

HEA 1048, P.L. 11 - TECHNICAL CORRECTIONS

Author: Engleman (R-Georgetown)

Sponsor: Freeman (R-Indianapolis)

Summary of Provisions

- Addresses technical errors in the Indiana Code, including spelling, tabulation, formatting, grammatical, and cross-reference issues.
- Makes conforming amendments to align the style of population parameter wording. (The introduced version of this bill was prepared by the code revision commission.)

HEA 1055, P.L. 122 - PUBLIC SAFETY MATTERS

Author: Frye (R- Greensburg)

Sponsor: Sandlin (R-Indianapolis)

Aim Comments

HEA 1055 removes the ability for towns with a population under 7,500 to have residency requirements for their public safety employees. This was the final step in eliminating the ability for any city or town to require their law enforcement officers or firefighters to reside within the county in which the municipality is located. Supporters of this legislation argued that removing residency requirements will increase hiring options for all communities. Aim continued to oppose these changes and supports the ability for all communities to set their own policies to address their specific public safety needs.

The legislation also includes a provision that allows for the governing board of a nonprofit hospital to expand the jurisdiction of its hospital police department beyond the hospital's property.

Summary of Provisions

- Increases the number of deputies, from two to six, that a town marshal may have to participate in the town marshal training program (Tier II training program) established by the law enforcement training board (board).
- Requires the board to adopt rules establishing a conservancy district marshal basic training program.
- Adds a district marshal or deputy district marshal to certain definitions of "police officer", "officer", or "law enforcement officer".
- Makes changes to certain definitions of "law enforcement officer" to include officers employed by a hospital police department, conservancy district marshals, and deputy conservancy district marshals.
- Defines "district marshal".
- Provides that a conservancy district (district) in which each director of the board has been elected to the board may employ a district marshal or deputy district marshal.
- Provides that the district marshal is the chief police officer of the district and has the powers of other law enforcement officers in enforcing laws.
- Makes changes to the jurisdiction of a hospital police department.
- Provides that a member of a city police or fire department is not subject to residency requirements.
- Eliminates a provision that provides that a city with a population of less than 7,500 may adopt an ordinance that requires a member of a city police or fire department to reside within the county in which the city is located.
- Provides that members of the police and fire departments of a town or special service district are not subject to residency requirements but must:
 - (1) have adequate means of transportation into the jurisdiction served by the member's department; and
 - (2) maintain telephone service to communicate with the department.
- Provides that members of the fire department of a township, fire protection district, or fire protection territory are not subject to residency requirements but must:
 - (1) have adequate means of transportation into the jurisdiction served by the member's department; and
 - (2) maintain telephone service to communicate with the department.
- Repeals provisions:
 - (1) relating to the establishment of residency requirements for a police or fire department of a town with a population of less than 7,500;
 - (2) relating to the establishment of residency requirements for a township fire department of a township with a population of less than 7,500; and
 - (3) that exempt a member of a town police or fire department or a township fire department from residency requirements under certain circumstances.
- Repeals a provision relating to the jurisdiction of hospital police departments.

HEA 1069, P.L. 123 - AIRPORTS

Author: Cherry (R-Greenfield)

Sponsor: Byrne (R-Byrneville)

Summary of Provisions

- Voids an administrative rule concerning eligibility of projects for which funding is available from the airport development grant fund (grant fund) and relocates (with stylistic changes) the contents of the voided administrative rule.
- Requires the Indiana department of transportation, in determining the match for a state grant for which federal grants are not available, to:
 - (1) consider the airport classification and the type of project; and
 - (2) require matching funds of at least 25%.

HEA 1132, P.L. 124 - LAND USE TASK FORCE

Author: Culp (R-Rensselaer)

Sponsor: Buck (R-Kokomo)

Summary of Provisions

- Creates the land use task force to study and make recommendations concerning:
 - (1) areas where food insecurity exists;
 - (2) development growth trends in rural, suburban, and urban communities across Indiana; and
 - (3) other community growth issues.

HEA 1142, P.L. 64 - LAW ENFORCEMENT RECORDINGS

Author: Prescott (R-Union City)

Sponsor: Alexander (R-Muncie)

Summary of Provisions

- Provides that the direct cost that a state or local agency may charge for providing a copy of a law enforcement recording (recording) includes labor costs incurred to:
 - (1) obscure nondisclosable information in the recording; and
 - (2) perform an administrative review of the recording to determine if all nondisclosable information has been obscured.
- Specifies that the costs of reviewing and obscuring nondisclosable electronic data may not exceed reasonable attorney's fees if the actions are performed by an attorney.
- Provides that if a court issues an order for disclosure of a law enforcement recording, any copy of the recording must be made by the public agency.
- Makes a technical correction.

HEA 1157, P.L. 126 - RESIDENTIAL HOUSING DEVELOPMENT PROGRAM

Author: Moed (R-Indianapolis)

Sponsor: Walker, K. (R-Lawrence)

Summary of Provisions

- Makes the following changes regarding Marion County redevelopment:
 - (1) Revises allocation area requirements for the redevelopment commission (commission) to establish a housing program.
 - (2) Allows the commission to establish a residential housing development program (residential housing program) and a tax increment funding allocation area for the residential housing program, if the construction of new houses fails to reach a benchmark.
- Requires the department of local government finance, in cooperation with the city of Indianapolis, to determine eligibility for the residential housing program.

- Specifies the rights, powers, privileges, and immunities of the commission in implementing a residential housing program.

HEA 1167, P.L. 127 - LIVE STREAMING AND ARCHIVING MEETINGS

Author: Smaltz (R-Auburn)

Sponsor: Buck (R-Kokomo)

Aim Comments

As introduced, HB 1167 would have required all local governing bodies to livestream and archive their meetings. Aim opposed the introduced version of the bill because most communities do not have full-time IT departments and several meetings of boards and commissions are not staffed by a full-time employee.

HEA 1167 was amended to be effective beginning July 1, 2025 and applies to the executive (as defined in IC 36-1-2-5), legislative body (as defined in IC 36-1-2-9), or fiscal body (IC 36-1-2-6) of a county, city, town or township and any governing body that conducts the governing body's regular meetings in the same meeting room as the executive, legislative or fiscal body. The rationale was that if there is technology available in the room, other governing bodies should also be able to livestream their meetings if they use that same room. Archives of the meeting must be kept for 90 days after the meeting and made available for public inspection and copying or downloading before they can be destroyed.

Aim will continue to work with members of the General Assembly leading up to the 2025 effective date. While the goal of local units is to provide transparency, there must be a balance that recognizes the additional resources that are needed to accomplish that goal.

Summary of Provisions

- Requires certain governing bodies of state and local agencies (excluding a state supported college or university) to provide, on a publicly accessible platform:
 - (1) live transmissions of public meetings; and
 - (2) an archive of copies of the live transmissions with links to any meeting agendas, minutes, or memoranda.
- Provides that if a governing body does not have Internet capability for live transmission of public meetings, the governing body shall record the meeting.
- Provides that transmissions and recordings of public meetings may be destroyed after 90 days.

HEA 1200, P.L. 220 - ALCOHOLIC BEVERAGES AND TOBACCO

Author: Bartels (R-Eckerty)

Sponsor: Garten (R-Charlestown)

Summary of Provisions

- Adds the following to the definition of "entertainment complex":
 - (1) A premises located within a five-mile (instead of four mile) radius of the center of a consolidated city.
 - (2) A premises used as a museum of fine arts.
 - (3) A premises that has a 200-person audience capacity and artist housing.
- Provides that a primary source of supply, manufacturer, or wholesaler may supply equipment on a temporary and nondiscriminatory basis to the holder of a retailer permit or a temporary permit for the purpose of holding, storing, and dispensing product to consumers for a special event for the duration of the special event.
- Makes the following changes regarding breweries:
 - (1) Removes a requirement that the 90,000-barrel limit per calendar year applies to beer manufactured at a brewery located in Indiana.
 - (2) Allows a small brewery to receive, bottle, and package beer from another small brewery if certain requirements are met.

- (3) Allows a small brewery to sell or transfer beer to certain food manufacturers for the purpose of adding or integrating the beer into a product or recipe.
- (4) Provides that a product that contains transferred beer may not contain more than 0.5% of alcohol by volume when the product leaves the food manufacturer's facility.
- Provides for permits for beer or liquor dealer employees who deliver alcoholic beverages. Increases, within a certain historic district, the number of alcoholic beverage restaurant permits from 10 to 15, and changes certain other requirements.
- Allows the alcohol and tobacco commission (commission) to issue a certain number of three-way permits to sell alcoholic beverages for on-premises consumption in the:
 - (1) cities of Auburn, Kendallville, and Warsaw; and
 - (2) towns of Winona Lake and Syracuse. Permits the issuance of three new three-way permits and three new two-way permits to the town of Whitestown.
- Requires the commission to issue a beer dealer's permit and a wine dealer's permit to an eligible grocery store.
- Increases the limit on the amount of liquor that an artisan distiller may produce in a calendar year from 10,000 to 20,000 gallons.
- Amends the conditions in which a minor can lawfully be in a room on a licensed premises in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
- Modifies the definition of "tobacco product", for purposes of the law concerning issuance of a tobacco sales certificate, to include a product that contains nicotine and is not approved by the federal Food and Drug Administration for tobacco cessation.
- Provides that an e-liquid distributor shall purchase and distribute e-liquid from an:
 - (1) Indiana e-liquid manufacturer that has a valid e-liquid manufacturing permit; or
 - (2) Indiana e-liquid distributor that has a valid e-liquid manufacturing permit or a valid tobacco distributor's license.

HEA 1207, P.L. 131 - 911 FEES

Author: Karickhoff (R-Kokomo)

Sponsor: Crider (R-Greenfield)

Summary of Provisions

- Authorizes the statewide 911 board to increase the following fees one time in the period beginning after April 30, 2023, and ending before July 1, 2026:
 - (1) The enhanced prepaid wireless charge.
 - (2) The statewide 911 fee. (Current law allows the board to adopt one time increases to each fee in the period that began after April 1, 2020, and ends before July 1, 2023.)

HEA 1211, P.L. 70 - WELDING CERTIFICATIONS ON PUBLIC WORKS PROJECTS

Author: Karickhoff (R-Kokomo)

Sponsor: Doriot (R-Goshen)

Summary of Provisions

- Requires that contractors on a public works project meet certain standards relating to the welding of structural steel.

HEA 1266, P.L. 223 - CYBER CIVILIAN CORPS PROGRAM ADVISORY BOARD

Author: Judy (R-Fort Wayne)

Sponsor: Zay (R-Huntington)

Summary of Provisions

- Establishes the Indiana cyber civilian corps program advisory board (board).
- Provides for the membership of the board.

- Requires the adjutant general to provide staff support for the board.
- Requires the board to provide findings and recommendations concerning the establishment of an Indiana cyber civilian corps program to the legislative council.

HEA 1316, P.L. 224 - IFA APPROVAL AND REVOLVING LOAN PROGRAMS

Author: Miller (R-Elkhart)

Sponsor: Charbonneau (R-Valparaiso)

Summary of Provisions

- Provides that a participant may issue and sell bonds to the Indiana finance authority (authority) without the requirement of an increase to the user rates and charges of the participant.
- Provides that the bonds must be issued under a resolution or ordinance and the proceeds must be used to carry out the purposes allowed by the program.
- Defines the term "independent evaluator" for purposes of non-revenue water audits.
- Requires a water utility to annually perform an audit of its water distribution system through the use of the latest version of the American Water Works Association's free water audit software or other methodology software to determine the causes of the water utility's non-revenue water.
- Provides that the issuance, by the ports of Indiana, of both taxable and tax exempt revenue bonds of the state, payable solely from revenues for the purpose of paying all or any part of the cost of a port or project, is subject to the prior approval of the authority.
- Provides for the appointment of a nine-member board of directors of the Indiana Secondary Market for Education Loans, Inc. (ISMEL).
- Provides that ISMEL may only borrow money after consulting with the authority not less than three months before ISMEL begins the process of borrowing money.
- Requires ISMEL to, at least 30 days prior to the issuance or placement of any bond, note, or other instrument, report to the budget committee the estimated amount of the bonds.

HEA 1321, P.L. 139 - PUBLIC SAFETY TRAINING

Author: Garcia-Wilburn (R-Fishers)

Sponsor: Baldwin (R-Noblesville)

Summary of Provisions

- Requires the law enforcement training board to establish minimum standards for basic training and annual in-service training that address the mental health and wellness of law enforcement officers.
- Requires the executive training program to include training in mental health and wellness and suicide prevention of law enforcement officers.
- Provides that the mental health and wellness training may be provided online or by other means of virtual instruction.
- Provides that full-time firefighters' minimum training and annual training requirements must include mental health and wellness training.
- Requires certain persons who provide emergency medical services to obtain mental health and wellness training as a condition of licensure and certification.
- Removes definitions.
- Annual reporting requirement to Homeland Security certifying compliance.

HEA 1335, P.L. 141 - VARIOUS ELECTION LAW MATTERS

Author: Wesco (R-Osceola)

Sponsor: Ford, Jon (R-Terre Haute)

Summary of Provisions

- Modifies the date associated with references in the election code to a federal statute or regulation.
- Removes and updates obsolete date references from Indiana election law.
- Specifies additional requirements for a certificate of ascertainment of presidential electors.

- Modifies the day of the week that presidential electors must assemble to elect the President and Vice President of the United States.

HEA 1336, P.L. 227 - VARIOUS ELECTION LAW MATTERS

Author: Wesco (R-Osceola)

Sponsor: Ford, Jon (R-Terre Haute)

Summary of Provisions

- Adds the U.S. Space Force to the definition of “uniformed services” in election law.
- Provides that electronic signatures may be used for the reporting of campaign contributions and expenditures.
- Provides that election form approval procedures do not apply to a form incorporated only into the statewide voter registration system.
- Makes other technical changes relating to approval of election forms.
- Provides that a statute prohibiting the use of the circuit court clerk’s name on a ballot if the clerk is a candidate for an office on the ballot does not apply if the only office for which the individual is a candidate is a political party office.
- Requires a candidate to specify on the candidate’s candidacy document each designation that the candidate wants to use on the ballot.
- Requires the election division to design all candidacy documents so that the form of the document enables the candidate to insert in a separate field of the document each of the separate designations that a candidate is permitted to use under election law.
- Provides that an individual is considered to have resigned as an elected official of a unit when the person becomes an employee of the unit the individual serves as an elected official.
- Provides that certain mailings required by election law be sent by first class mail with tracking rather than by certified mail.
- Provides that a statute that permits removal and fining of a precinct election officer who fails to perform duties is applicable to an absentee voter board member and to an absentee ballot counter.
- Authorizes a county election board to permit individuals who are candidates for certain political party offices and relatives of such individuals to serve as precinct election officers if the county election board finds that enough individuals are not available to serve as precinct election officers.
- Requires the bureau of motor vehicles commission to forward the voter registration part of an application and any declination to register to the election division for transmittal to the appropriate county voter registration office.
- Adds law enforcement agencies that receive voter registrations to the list of voter registration agencies that are not subject to certain requirements relating to filing voter registration applications.
- Provides that the statewide voter registration system must contain a feature that identifies potential nonresidential addresses submitted on voter registration applications.
- Provides additional procedures for updating a copy of a voter’s original signature in the statewide voter registration file.
- Adds judges of city and town courts to the list of officials that must file a statement of economic interest before filing a candidacy document.
- Provides that an officeholder is not entitled to salary until a statement of economic interest is filed, if required.
- Provides that, for purposes of determining whether a candidate is affiliated with a particular major political party, the candidate must have voted in that party’s two most recent primary elections. (Under current law, a candidate is required to have voted in the political party’s most recent primary election.)
- Provides that if an election district is included entirely within one precinct, and does not include the entire precinct, the petition of nomination must be signed by at least five voters of the election district.
- Provides that if a special election to fill a vacancy in the office of United States Representative is held on the same day of the election to elect the individual to serve in the succeeding term, an individual may appear on the ballot as a candidate in both elections.
- Provides that in such an election for United States Representative, the ballot must list the election to fill the office vacancy immediately after the election for the next term of the office.

- Requires the chair of a political committee to file a final report for a treasurer if the treasurer has died or is otherwise unable to file the report.
- Provides that the statute requiring reporting of “large” campaign contributions does not require the reporting of a contribution unless it is accepted by the candidate’s candidate committee.
- Provides language for printing on ballots when no candidate has filed for the office.
- Eliminates the requirement that counties send duplicate copies of state election returns to the election division.
- Provides that a county executive is not required to establish precincts so that a precinct contains not more than 2,000 active voters or 2,300 active voters if the precinct is in a county designated as a vote center county.
- Provides that in addition to precinct boundaries, the name of a precinct as included in the federal decennial census data becomes the official name of the precinct.
- Requires that a ballot be arranged so that all candidates for the same office appear on the same page or the same screen.
- Permits the use of an electronic device at a precinct or vote center to display a sample ballot.
- Provides procedures for ballot layout when a candidate dies or is no longer eligible to appear on the ballot.
- Requires a circuit court clerk who receives an absentee ballot application from a voter who is not registered to vote in the county to send the application to the circuit court clerk of the county in which the voter is registered.
- Provides that the designation of a voter as an absent uniformed services voter, an overseas voter, or a voter with print disabilities expires January 1 after such a voter has submitted an absentee ballot application indicating such designation.
- Provides that, after December 31, 2024, all absentee ballots must be printed on security paper that incorporates features that can be used to authenticate the ballot.
- Provides that a voter must file residence documentation before 6 p.m. on election day.
- Provides that only the individuals who are permitted to be in the polls on election day are permitted to be in the room where early absentee voting is occurring.
- Provides that a county election board may send a signed form from a public test to the election division by electronic mail or fax.
- Provides that an application fee for certification of a voting system does not apply if the application is for a de minimis change.
- Authorizes the repurposing of an electronic poll book unit as a device to display sample ballots if the electronic poll book software is deleted from the unit.
- Requires absentee ballot counters to begin counting absentee ballots beginning at 6:00 a.m. on election day if certain conditions are met.
- Provides that if there is a discrepancy on political party primary ballot choice between the federal write-in absentee ballot and the federal post card application, the federal post card application supersedes the federal write-in absentee ballot.
- Provides that if an individual who holds a local office is elected to another term in that office and subsequently dies or is disqualified before the next term is scheduled to begin, a vacancy is created that must be filled as otherwise provided by law.
- Adjusts the schedule for conducting a post-election audit if a contest or recount has been filed affecting the county.
- Provides that a notice of death of a local office holder is required to be filed only with the circuit court clerk. (Under current law, notice must also be filed with the prosecuting attorney.)
- Exempts a member of a fiscal or legislative body from assuming certain duties during a vacancy.
- Requires a magistrate to deposit a copy of the magistrate’s oath in the office of the circuit court clerk of the county in which the magistrate resides or serves.
- Requires the certification of a question on a referendum to occur not later than noon 74 days before a special election.
- Provides that a personal representative of a decedent who was a treasurer or candidate for office may disband the committee associated with the decedent’s office or campaign.

- Removes references to “independent tickets” in election law.
- Makes several other technical changes.
- Repeals the law concerning the affidavit eligibility of a precinct election officer.

HEA 1354, P.L. 320 - SERVICE ANIMALS

Author: Ledbetter (R-Chandler)

Sponsor: Leising (R-Oldenburg)

Summary of Provisions

- Provides that only a dog or miniature horse qualify as a service animal.
- Provides that a public accommodation shall make reasonable modifications in policies, practices, or procedures to permit the use of a miniature horse by an individual with a disability.
- Sets forth certain requirements when permitting or not permitting a person with a disability to bring a service animal on the premises of a public accommodation.

HEA 1418, P.L. 82 - ANNEXATION OF RESIDENTIAL DEVELOPMENTS

Author: Soliday (R-Valparaiso)

Sponsor: Charbonneau (R-Valparaiso)

Summary of Provisions

- Permits a third-class city to annex an area that is a proposed residential development in which not all lots have been platted or dwellings have been constructed.
- Expands the area outside the city in which the annexation can occur from three miles to 4.5 miles.

HEA 1438, P.L. 84 - PUBLICATION OF LOCAL GOVERNMENT NOTICES

Author: Miller (R-Elkhart)

Sponsor: Doriot (R-Goshen)

Aim Comments

Aim continues to support modernizing how public notices can be published. Under current law, municipalities are required to publish newspaper notices in two newspapers with a circulation of at least 200. This can be expensive for local units and papers cannot always deliver notices in a timely manner that can be easily accessed by constituents. During the 2021 legislative session, SEA 332 passed which still required initial notices to be published in a newspaper but allowed additional notices to be published on a municipality’s website. Aim supported this increased flexibility but continues to support allowing local units to post all notices online. The introduced version of HEA 1438 would have allowed this but it was turned into a summer study committee to explore the topic further.

Summary of Provisions

- Provides that a towing service is subject to the same public notice advertising rates as a government agency if the service:
 - (1) acts as an agent of a government agency; and
 - (2) provides the notice required to dispose of abandoned vehicles or parts.
- Provides for the creation of a public notice task force (task force) to study notice publication statutes for the purpose of streamlining the process and maximizing value to Indiana citizens.
- Provides the following:
 - (1) The task force must publish a report with its determinations and recommendations for legislation not later than December 1, 2023.
 - (2) The task force expires December 31, 2023.

HEA 1454, P.L. 236 - DEPARTMENT OF LOCAL GOVERNMENT FINANCE

Author: Snow (R-Warsaw)

Sponsor: Bassler (R-Washington)

Aim Comments

HEA 1454 is the annual Department of Local Government Finance (DLGF) agency bill which includes many provisions related to local government finance. This was one of the last bills negotiated during session and ended up being the home for language on many different issues some of which Aim supported and some of which we opposed.

For years, Aim has supported language that would require counties that are changing LIT rates or uses to notify the municipalities in the county of the changes. This year, language requiring that notification to be sent out before LIT changes can go into effect was added to HEA 1454. HEA 1454 also includes positive language that grants additional flexibility for RDCs by allowing (but not requiring) public safety operations and capital to be funded by TIF. Another positive provision raises the threshold requiring an RDC to obtain two independent appraisals of fair market value of property from \$25,000 to \$50,000.

Unfortunately, HEA 1454 also included language that Aim did not support RDCs are now required to conform to a spending plan adopted at the beginning of the year. The bill also requires the president and vice president to be appointed by different appointing authorities - so if the mayor appoints the president, the council must appoint the vice president. It clarified that video streaming providers do not owe local franchise fees, intervening in ongoing litigation. There was also last-minute language added to the DLGF bill dealing with rental inspections. If a unit wants to verify that every unit within the complex is safe and habitable through a third-party inspection, they could not do so; instead, they would be limited to the HUD sample size.

Both positive and negative language was added to HEA 1454 with respect to local food and beverage taxes. Three new food and beverage taxes were approved for the cities of Jasper, Merrillville, and Columbia City and new procedures were outlined for how food and beverage taxes should be requested going forward. However, new reporting requirements were added to all food and beverage taxes and all existing food and beverage taxes were sunset at least 22 years from the passage of this bill.

Language was also proposed in earlier versions of this bill to place hospitals and health care facilities in the 2% property tax cap category and prevent providers that pay franchise fees from paying other right-of-way access fees. Ultimately, these provisions were removed in the final version of HEA 1454.

Summary of Provisions

- Provides that the term of any judgment funding bond with regard to either:
 - (1) the city of Hobart; or
 - (2) the Merrillville Community School Corporation; issued for the purpose of paying a property tax judgment rendered against Lake County for assessment year 2011, 2012, 2013, or 2014 shall be 25 years.
- Changes the sunset date for the procedure for selling certain bonds to July 1, 2025, and makes corresponding changes.
- Adds nonprofit building corporations created by a municipal corporation to a provision concerning the purchase of municipal securities by the treasurer of state and provides that such a security must have a stated final maturity of not more than 25 years after the date of purchase.
- Specifies expenses eligible for funding from the READI fund.
- Prohibits the department of local government finance from approving a county reassessment plan before the assessor provides verification that the land values determination has been completed.
- Removes language from a statute allowing a taxpayer to elect a special property tax valuation method for mini-mill equipment that prohibited the election if any outstanding bond obligations would be impaired as a result of the election.

- Requires an assessor determining land values to submit the values to the county property tax assessment board of appeals (PTABOA) and the department. Establishes procedures for rental property assessment appeals.
- Makes changes to a provision granting a property tax exemption to cemetery owners.
- Requires the land of controlled environment agriculture property to be classified and assessed as agricultural and the improvements to be classified and assessed as an agricultural greenhouse for property tax assessment.
- Prohibits a PTABOA determination of assessed value following a hearing that exceeds the original appealed assessed value at issue.
- Provides that a qualified taxing unit located in Lake County that has experienced a property tax revenue shortfall in one or more tax years:
 - (1) resulting from erroneous assessed valuation figures; and
 - (2) which was, or will be, at least \$5,000,000, or 20% of its net tax levy, as a result of the erroneous assessed valuation amount; may apply to the treasurer for a loan from the counter-cyclical revenue and economic stabilization fund.
- Describes procedures, limitations, and uses for such loans.
- Limits the amount of loans to all qualified taxing units to \$35,000,000.
- Prescribes a formula for determining a population growth of 150% for purposes of the exclusion from maximum ad valorem property tax levy limits for municipalities that meet specified criteria.
- Makes changes to statutes concerning maximum property tax levies for:
 - (1) Sugar Creek Township Fire Protection District; and
 - (2) Otter Creek Township.
- Amends an exclusion from the definition of “controlled project” for projects required by a court order.
- Extends through 2026 the authority for certain school corporations to allocate circuit breaker credits proportionately but imposes limitations with respect to school corporation eligibility to allocate such credits.
- Repeals the provision establishing the division of data analysis of the department.
- Prohibits a county auditor from denying an application for a standard deduction for a homestead because the applicant does not have a valid driver’s license with the address of the homestead property.
- Provides that when a county auditor submits a certified statement of assessed value to the department, the county auditor shall exclude the amount of assessed value for any property located in the county for which an appeal has been filed and for which there is no final disposition.
- Provides that a county auditor may appeal to the department to include the amount of assessed value under appeal within a taxing district for that calendar year.
- Provides for the expiration of certain supplemental county property tax levy provisions on the later of:
 - (1) January 1, 2045; or
 - (2) the date on which all bonds or lease agreements outstanding on July 1, 2023, for which a pledge of tax revenue is completely paid. Imposes reporting and publication requirements for those bonds and leases.
- Removes the requirement that a PTABOA quorum must include at least one certified level two or level three assessor-appraiser.
- Prescribes additional duties for the department.
- Provides that the distressed unit appeal board (DUAB) may employ staff (instead of an executive director).
- Provides that the department may (instead of shall) support the DUAB’s duties using money from the department’s budget funding.
- Repeals provisions requiring the DUAB to pay the emergency manager’s compensation and to reimburse the emergency manager for actual and necessary expenses.
- Repeals the fiscal and qualitative indicators committee (committee).
- Replaces references to the committee with references to the DUAB.
- Provides that, in the assessment of tangible property, confidential information may be disclosed to an official or employee of a county assessor or auditor.
- Provides that the required annual visit between a representative of the department and each county may take place virtually.

- Requires a township or county assessor to document any changes made to the parcel characteristics of real property from the previous year's assessment in an assessment of the real property.
- Provides that a township may elect to establish a township firefighting fund and a township emergency services fund in lieu of the township firefighting and emergency services fund.
- Provides that the excess of the proceeds of the property taxes attributable to an increase in the property tax rate for a participating unit of a fire protection territory that is established after the establishment of a tax increment financing area located outside of Marion County shall be allocated to and distributed in the form of an allocated property tax revenue pass back to the participating unit of the fire protection territory and not to the redevelopment district.
- Provides that the fiscal body of a county may adopt an ordinance to establish a property tax amnesty program and require a waiver of interest and penalties added before January 1, 2023, on delinquent taxes and special assessments on real property in the county if certain conditions are met.
- Amends provisions excluding the part of a participating unit's proceeds of property taxes imposed in certain tax increment finance areas for an assessment date with respect to which the allocation and distribution is made that are attributable to property taxes imposed to meet the participating unit's obligations to a fire protection territory.
- Reduces the fee, from 15% to 10%, that the department of state revenue may charge a debtor for any debts collected as a collection fee for the department's services, not including local collection assistance fees.
- Establishes a tax credit for an eligible taxpayer that employs certain individuals with a disability.
- Provides that contributions to a 529 college savings account or 529A ABLE account made after December 31, 2023, shall be considered as having been made during the taxable year preceding the contribution if certain conditions are met.
- Beginning in taxable year 2024, allows the Indiana economic development corporation to award a qualified taxpayer a historic rehabilitation tax credit equal to 25% or 30% of the qualified expenditures incurred in the restoration and preservation of a qualified historic structure, depending on the type of historic structure.
- Provides a maximum tax rate that a county fiscal body may impose for correctional facilities and rehabilitation facilities.
- Provides that part of the tax revenue that is allocated to public safety may be distributed to certain township fire departments, volunteer fire departments, fire protection territories, or fire protection districts.
- Provides that the difference between the amount of special fuel purchased by a compressed natural gas product fuel station and the amount of compressed natural gas product produced and sold by the compressed natural gas product fuel station is exempt from the special fuel tax.
- Imposes taxes on the distribution of cigars.
- Requires each local unit that imposes a food and beverage tax to annually report information concerning distributions and expenditures of amounts received from the food and beverage tax.
- Provides that food and beverage taxes currently authorized under IC 6-9 and that do not otherwise contain an expiration date (other than the stadium and convention building authority food and beverage tax and the historic hotels food and beverage tax) shall expire on the later of:
 - (1) January 1, 2045; or
 - (2) the date on which all bonds or lease agreements outstanding on May 7, 2023, are completely paid.
- Requires each local unit that imposes a food and beverage tax that is subject to the expiration to provide to the state board of accounts a list of each bond or lease agreement outstanding on May 7, 2023, and the date on which each will be completely paid.
- Requires Monroe County and the city of Bloomington to each develop a written plan before December 1 of each year that includes certain information related to the use of food and beverage tax funds.
- Specifies that the written plan must be submitted to the department of local government finance and be made available on the gateway website within 30 days of submission.
- Requires the county and the city to spend money from the applicable food and beverage tax receipts fund before July 1, 2025.

- Provides that if the county and city do not spend money from the applicable food and beverage tax receipts fund as specified, the ordinance to impose the food and beverage tax is void and food and beverage tax revenue may not be collected.
- Provides that Monroe County may not adopt a new food and beverage tax ordinance after June 30, 2025.
- Authorizes the following municipalities to impose a food and beverage tax:
 - (1) The city of Columbia City.
 - (2) The town of Merrillville.
 - (3) The city of Jasper.
- Authorizes Decatur County to impose a food and beverage tax.
- Makes certain changes regarding the distribution of revenue from the Tippecanoe County innkeeper's tax.
- Authorizes Parke County to impose its innkeeper's tax at a rate of 8% under the uniform innkeeper's tax statute (instead of 5% under current law).
- Authorizes Hamilton County to impose an innkeeper's tax under a separate innkeeper's tax statute at a rate of not more than 8% (rather than 5% under the uniform county innkeeper's tax).
- Requires notice if a county adopting body makes any fiscal decision that has a financial impact to an underlying local taxing unit or adopts an ordinance to reallocate revenue received from a local income tax.
- Specifies a statute of limitations for certain property tax appeals based on a claim of error in determining whether the property is or is not eligible for a standard homestead deduction.
- Makes changes to the timing for certain property tax appeals.
- Extends the sunset of the current calculation and allocation of certified shares among civil taxing units in Hamilton County from 2024 to 2026 and modifies the city of Carmel's certified shares determination under the calculation.
- Clarifies the term "video service".
- Modifies a provision concerning county membership on the governing and advisory boards of a community mental health center.
- Provides that, beginning January 1, 2026, an "eligible individual" for purposes of the achieving a better life experience (ABLE) program means an individual who during a taxable year:
 - (1) is entitled to benefits based on blindness or disability under Title II or Title XVI of the federal Social Security Act and the blindness or disability occurred before the individual became 46 years of age (rather than 26 years of age under current law); or
 - (2) has a disability certification that has been filed as set forth in Section 529A of the Internal Revenue Code.
- Increases amounts for which state educational institutions and school corporations may award contracts.
- Makes changes to the geothermal device deduction.
- Removes provisions that require a county to meet certain qualifications before it is authorized to adopt an emergency medical services local income tax rate.
- Provides that if the sale price of distressed property exceeds \$50,000, a redevelopment commission must obtain two independent appraisals before purchasing the property.
- Provides (beginning on or after January 1, 2024) that the legislative body of a town that has a mayor as a result of a reorganization may hire or contract with competent attorneys and legal research assistants on terms it considers appropriate.
- Repeals a statute requiring the county recorder to provide to the county auditor a list of recorded mortgage releases.
- Makes changes to various definitions in the Indiana Code chapter concerning rail transit development districts and makes a corresponding change to the local income tax increment fund.
- Changes the dates on which the department of state revenue determines base period amounts and increment revenue for the purpose of the Indiana Code chapter concerning rail transit development districts and allows the state department (if necessary) to redetermine base period amounts and increment revenue.
- Removes language under current law relating to salaries of the members of a flood control board who hold a lucrative office.

- Provides that a political subdivision may not inspect a rental unit or impose a fee pertaining to the inspection of a rental unit, if the rental unit, in addition to meeting certain other requirements, provides a written report that the rental property has been inspected or that a sample of the rental community has been inspected if the sample size complies with the United States Department of Housing and Urban Development's Rural Development for Real Estate Assessment Center inspections.
- Allows the county legislative body of a county in which a fire protection district includes all of the incorporated and unincorporated area of the county to adopt an ordinance to establish a nine member fire protection district governing board (governing board).
- Provides that on the date set forth in the ordinance establishing the governing board:
 - (1) the governing board has the powers and duties of the board of fire trustees; and
 - (2) the board of fire trustees acts solely as an advisory body to the governing board.
- Provides that the president and vice president of a redevelopment commission shall not have the same appointing authority.
- Expires on June 30, 2027, the amended changes made to the residential housing development program statute by the general assembly in the 2023 session or subsequent session, and on July 1, 2027, reinstates the residential housing development program statute as it appears in current law. Expires on June 30, 2027, the provisions added in HEA 1157 for a residential housing program in Marion County.
- Specifies information reporting requirements regarding residential housing development programs.
- Allows a redevelopment commission to expend revenues from a tax increment financing district that are allocated for police and fire services on both capital expenditures and operating expenses.
- Requires a redevelopment commission to provide an annual spending plan listing planned expenditures for the next calendar year.
- Provides that, for 2023, an ordinance or resolution to establish or expand a fire protection territory is adopted after the legislative body holds at least three public hearings to receive public comment on the proposed ordinance or resolution in which:
 - (1) at least one public hearing must be held at least 25 days before the legislative body votes on the adoption of the ordinance or resolution; and
 - (2) at least two additional public hearings must be held not later than five days before the legislative body votes on the adoption of the ordinance or resolution.
- Provides a property tax exemption for certain continuing care retirement communities or licensed health care facilities for taxes first due and payable in 2023, 2024, and 2025.
- Authorizes the emergency manager for the Gary school corporation to make a one-time transfer of non-federal dollars to any school corporation fund.
- Provides certain interest waiver provisions for weather related disaster events.
- Makes certain changes and technical corrections to provisions contained in SEA 2 (P.L.1-2023) (Taxation of pass through entities) and SEA 271 (Certified technology parks). Resolves a conflict with SEA 325, SECTION 2 (IC 6-1.1-12-37).
- Makes conforming changes and resolves other conflicts.
- Resolves a conflict with SEA 327 and HEA 1492 (IC 20-40-2-10).
- Resolves a conflict with HEA 1016 (IC 36-8-11-15).
- Makes certain changes to broadband service speed provisions.
- Provides that trailers with a declared gross vehicle weight of 3,000 pounds or less that are registered or renewed after December 31, 2023, are excluded from the following taxes beginning after December 31, 2023:
 - (1) motor vehicle excise tax;
 - (2) county vehicle excise tax; and
 - (3) municipal vehicle excise tax.

HEA 1499, P.L. 239 - VARIOUS TAX MATTERS

Author: Thompson (R-Lizton)

Sponsor: Holdman (R-Markle)

Aim Comments

One of the main issues on lawmakers' minds heading into the 2023 session was the impact of the housing market on residential property tax assessments and, ultimately, increases to property tax bills. Addressing increases to property tax bills was a priority of legislative leadership, particularly House Republicans. Aim advocated for temporary, targeted relief to mitigate any long-term impacts to municipal budgets. HEA 1499 was the vehicle for this discussion and made several temporary changes to residential property taxes.

HEA 1499 caps levy growth for local units at 4% for the next two years, which is likely to be between 1% and 1.5% less than it otherwise would have been. It also increases the supplemental homestead deduction for the next two years and allows counties to voluntarily provide rebates or credits on 2023 property taxes in the fall. It also included several provisions that primarily affect schools. HEA 1499 caps growth of school operating referenda at 3% in 2024 and causes any project in 2024 that pushes the debt service rate for a local unit over 0.4% to trigger the remonstrance and/or referendum procedure in the controlled projects statute.

Lastly, it made permanent changes to the over 65 property tax deductions and credits to better align to current property values and income levels.

Overall, HEA 1499 will have a negative fiscal impact on cities and towns, up to \$14M in 2026, but given how conversations started on this issue, the impact is not nearly as significant as predicted.

Summary of Provisions

- Makes certain changes to the qualification requirements for the:
 - (1) deduction for individuals who are at least 65 years of age; and
 - (2) additional credit for certain homesteads.
- Increases the amount of the supplemental homestead deduction for property taxes first due and payable in 2024 and 2025.
- Provides that if a taxpayer presents an appraisal to the county property tax assessment board of appeals (county board) that meets specified requirements, the appraisal is presumed to be correct.
- Provides that if the county board disagrees with the taxpayer's appraisal, the county board may seek review of the appraisal or obtain an independent appraisal.
- Provides that after the assignment of value, the parties shall retain their rights to appeal to the Indiana board of tax review.
- Provides that, notwithstanding any increase in assessed value of property from the previous assessment date, the total amount of operating referendum tax that may be levied by a school corporation for taxes first due and payable in 2024 may not increase by more than 3% over the maximum operating referendum tax that could be levied by the school corporation in the previous year.
- Provides a calculation to be used in determining the maximum levy growth quotient in 2024 and 2025.
- Modifies, through December 31, 2024, the threshold amounts used for determining whether a political subdivision's project is a controlled project and whether the petition and remonstrance process or the referendum process applies based on the political subdivision's total debt service tax rate, but excludes certain projects for which a public hearing to issue bonds or enter into a lease has been conducted before July 1, 2023.
- Creates an exception, through December 31, 2024, to a provision subjecting a controlled project in a political subdivision with a total debt service rate of \$0.80 per \$100 of assessed valuation to the referendum process, if:
 - (1) the political subdivision submits a request to the department of local government finance (DLGF) seeking a waiver of the provision;
 - (2) the proposed controlled project is a response to a maintenance emergency; and
 - (3) the DLGF determines that the maintenance emergency is sufficient to waive the provision.

- Amends an exclusion from the definition of “controlled project” for projects required by a court order.
- Authorizes a county fiscal body to adopt an ordinance to provide property tax relief for property tax liability attributable to homesteads for qualified individuals.
- Provides that a county may adopt a resolution to require a local income tax supplemental distribution to first be distributed and used to lower the county’s levy freeze tax rate.
- Requires the DLGF to approve a county’s request to decrease its levy freeze tax rate if the DLGF finds that the lower rate, in addition to the supplemental distribution amount determined under the resolution adopted by the county, would fund the levy freeze dollar amount.
- Requires the department of state revenue (department) to annually provide each resident individual taxpayer who paid adjusted gross income taxes in the immediately previous taxable year a taxpayer receipt statement in an electronic format explaining how the individual taxpayer’s taxes are being used.
- Requires the department, in consultation with the budget agency, to create and administer an Internet web page on which individual taxpayers may access an estimate of the allocation of their adjusted gross income taxes to various expenditure categories for the most recent state fiscal year based on the adjusted gross income taxes paid by the taxpayer.
- Specifies the information that must be provided on the web page.
- Defines “maintenance emergency”.
- Makes conforming changes.

HEA 1557, P.L. 88 - INVENTORY OF LOST FARMLAND

Author: Culp (R-Rensselaer)

Sponsor: Leising (R-Oldenburg)

Summary of Provisions

- Directs the state department of agriculture to conduct an inventory of farmland lost in Indiana from 2010 to 2022.

HEA 1578, P.L. 91 - COVERED PERSONS FOR RESTRICTED ADDRESSES

Author: O’Brien (R-Evansville)

Sponsor: Alexander (R-Muncie)

Summary of Provisions

- Provides that a regular, paid firefighter and a volunteer firefighter are “covered persons” under the statute that requires local government units that operate a public data base website containing the names and addresses of property owners to restrict disclosure to the general public of the covered person’s home address.
- Removes an obsolete date reference.

HEA 1623, P.L. 249 - ADMINISTRATIVE LAW

Author: Bartels (R-Eckerty)

Sponsor: Garten (R-Charlestown)

Summary of Provisions

- Establishes the government reform task force (task force). Provides for members of the task force.
- Requires the task force to submit a report.
- Prohibits the consideration of the number or amount of fines or civil penalties imposed on regulated entities by an employee in an agency’s evaluation or compensation of the employee.
- Makes various procedural changes concerning the adoption of administrative rules, including the following:
 - (1) Requires budget agency and office of management and budget review of a regulatory analysis of all proposed rules.
 - (2) Requires a state budget committee review of rules adding or increasing fees, fines, or civil penalties.

- (3) Requires publication of the text of a proposed rule in the first public comment period and allows a proposed rule to be adopted after one public comment period if no substantive public testimony is received and the rule is not more stringent than applicable federal standards.
- (4) Replaces various laws granting emergency rulemaking authority with a description of the circumstances when emergency rulemaking (renamed “provisional” rules and “interim” rules) may be used, increases governor and attorney general oversight of provisional or interim rules, and adds a public comment period for interim rules.
- (5) Reduces from seven to five years the time in which rules need to be readopted to remain effective.
- (6) Requires agencies to webcast public hearings and allow remote testimony.
- Prohibits state standards for disposal of coal combustion residuals to be more stringent than federal standards.
- Allows for certain rules on certain pesticides that are more stringent than federal law.
- Permits a person to recover attorney’s fees if an agency issues an order that is based on an invalid rule or issued without legal authority.
- Permits an applicant or licensee to recover damages if a professional or occupational licensing agency fails to adopt a rule required to obtain a license.
- Repeals superseded statutes and makes cross-reference, name, and other conforming changes.

HEA 1627, P.L. 159 - SALE OF TAX SALE PROPERTIES TO NONPROFITS

Author: Bauer (D-South Bend)

Sponsor: Rogers (R-Granger)

Summary of Provisions

- Provides that a tax sale statute concerning the sale of real property to eligible nonprofit entities for low or moderate income housing applies to all counties. (Current law provides that the provision only applies to a county having a consolidated city.)

SEA 3, P.L. 163 STATE AND LOCAL TAX REVIEW TASK FORCE

Author: Thompson (R-Lizton)

Sponsor: Holdman (R-Markle)

Aim Comments

The last two sessions have featured important discussions among legislative leaders about tax cuts for both state and local governments. This year, fiscal leaders in the Senate proposed looking comprehensively at Indiana’s tax structure in SEA 3 which creates a task force to review state income taxes, sales taxes, local property taxes (including personal property taxes and homestead property taxes), and all other local option taxes. With the state close to paying off its large unfunded liability in the pre-1996 teacher pension fund, the General Assembly expects to have a large amount of revenue freed up in coming budgets for more significant tax cuts. The task force created in SEA 3 is tasked with looking at what taxes should be looked at for restructuring when those savings are realized. Aim supported this bill because it is consistent with provisions in Aim Project 2040 that emphasize Indiana’s need to take a comprehensive look at how we fund and prioritize municipal government in Indiana.

Summary of Provisions

- Establishes the state and local tax review task force (task force).
- Specifies the membership of the task force and the topics the task force is required to review.
- Provides that the member of the task force who is an economist is appointed jointly by the president pro tempore of the senate and the speaker of the house of representatives.
- Provides for the selection of the chairperson and vice chairperson of the task force.

SEA 4, P.L. 164 - PUBLIC HEALTH COMMISSION

Author: Charbonneau (R-Valparaiso)

Sponsor: Barrett (R-Richmond)

Aim Comments

SEA 4 is the result of Governor Holcomb's Public Health Commission that was established in August 2021 and was charged with examining the strengths and weaknesses of Indiana's public health system. Madison Mayor Bob Courtney served as one of the 15 members on the commission. The commission spent nine months looking into Indiana's health outcomes and ways to better these results. The commission determined that Indiana was ranked 45th in the nation for public health funding.

The commission identified a significant underfunding of core public health services throughout the state. SEA 4 allows county boards of health to create a local public health fund to receive additional funding from the state.

SEA 4 also tasks the State Department of Health and local boards of health with identifying state and county metrics of health to measure the overall health of Indiana citizens. These health metrics and delivery of core public health services are to be reported to the budget committee and to be published online.

SEA 4 also gives cities and towns representation on county boards of health. Counties with a population over 200,000 will have two municipal representatives while counties with a population under 200,000 will have one municipal representative. Improving public health outcomes is an important priority for cities and towns across Indiana which is why Aim supported this legislation.

Summary of Provisions

- Defines "core public health services" for purposes of public health laws.
- Adds members to the executive board of the Indiana department of health (state department).
- Removes a provision allowing the state department to establish branch offices.
- Provides that the state department may provide services to local health departments.
- Requires each local board of health to establish a local public health services fund to receive state funding.
- Provides a method of allocation of state funding to local boards of health, subject to state appropriations.
- Specifies the percentage of how additional funding may be expended on core public health services.
- Allows the local health department to enter into contracts or approve grants for core public health services.
- Allows the state department to issue guidance to local health departments.
- Requires the state department to make annual local health department reports available to the public.
- Changes the qualification requirements for a local health officer and requires certain training.
- Requires the state department to identify state level metrics and county level metrics and requires certain local health departments to report to the state department activities and metrics on the delivery of core public health services.
- Requires the state department to annually report on the metrics to the budget committee and publish information concerning the metrics on the Internet.
- Requires that a local health department post a position or contract for the provision or administration of core public health services for at least 30 days.
- Requires a local health department to provide certain education before administering a vaccine.
- Requires a multiple county health department to maintain at least one physical office in each represented county.
- Provides that a new city health department cannot be created after December 31, 2022, but allows current city health departments to continue to operate. Creates the Indiana trauma care commission.
- Allows a school corporation that cannot obtain an ophthalmologist or optometrist to perform the modified clinical technique vision test to conduct certain specified vision screenings.
- Requires the school to send to the parent of a student any recommendation for further testing by the vision screener.

- Allows for standing orders to be used for emergency stock medication in schools.
- Allows the state health commissioner or designee to issue a statewide standing order, prescription, or protocol for emergency stock medication for schools.
- Removes the distance requirement for an access practice dentist to provide communication with a dental hygienist.
- Repeals provisions concerning the Indiana local health department trust account.

SEA 20, P.L. 167 - ALCOHOL MATTERS

Author: Brown (R-Fort Wayne)

Sponsor: Lehman (R-Berne)

Aim Comments

Included in Aim's 2023 legislative initiatives was support for modernizing alcohol laws to provide additional flexibility for municipalities to serve alcohol at events, festivals and in specific areas of the community as an ongoing amenity. SEA 20 allows municipalities to establish up to seven designated outdoor refreshment areas with ATC approval that allow patrons that are twenty-one and older to purchase and consume alcoholic beverages within the area either during municipally organized events or during predetermined dates and times when no events are scheduled.

Cities and towns throughout Indiana have been working hard to improve their outdoor public spaces to make their communities better places to live, work, and play. Aim supported the additional flexibility granted in SEA 20 as a local option for communities to consider.

Summary of Provisions

- Allows a city or town to designate an outdoor location as a refreshment area with the approval of the alcohol and tobacco commission (commission).
- Allows a city or town to provide retail permittees located within the refreshment area to the commission for designation.
- Provides that if a refreshment area is approved, the commission designates retailer permittees that may sell alcoholic beverages for consumption within the refreshment area.
- Prohibits a refreshment area from being located near a school or church unless the school or church does not object.
- Allows a minor to be within the refreshment area.
- Adds language providing that a person entering a licensed premises within a refreshment area with an alcoholic beverage is not subject to criminal penalties.
- Makes it a Class C infraction for a participating retailer permittee or vendor to sell a person more than two alcoholic beverages at a time or an open container of an alcoholic beverage that exceeds the volume limitations.
- Allows a restaurant to sell or dispense alcoholic beverages from a bar located on the licensed premises that opens to an outside patio or terrace that is contiguous to the main building.

SEA 43, P.L. 18 - RESIDENCY OF 911 OPERATORS

Author: Sandlin (R-Indianapolis)

Sponsor: May (R-Bedford)

Summary of Provisions

- Provides that a public safety agency may not have a residency requirement for the public safety telecommunicators (defined in IC 10-10.5-1-6) that it employs.
- Provides that a public safety agency may not establish or maintain residency requirements for a public safety telecommunicator employed by a public safety agency.

SEA 106, P.L. 4 - LOCAL POWERS CONCERNING ELECTIONS

Author: Buck (R-Kokomo)

Sponsor: Wesco (R-Osceola)

Summary of Provisions

- Provides that a unit does not have the power to adopt an ordinance, a resolution, or an order concerning certain elections, or otherwise conduct an election, except as expressly granted by statute.
- Specifies that an ordinance, a resolution, or an order concerning certain elections that was adopted before January 1, 2023, is void unless a statute expressly granted the unit the power to adopt the ordinance, resolution, or order.

SEA 156, P.L. 26 - TAX SALES

Author: Niemeyer (R-Lowell)

Sponsor: Slager (R-Griffith)

Summary of Provisions

- Provides that a person who acquires a certificate of sale (certificate) may not assign the certificate to a person who was not eligible under the tax sale laws to bid on or purchase real property at a tax sale until the person satisfies the eligibility requirements as determined by the county auditor.
- Requires a person to acknowledge that the person will not assign a certificate for any real property purchased to a person who is prohibited from bidding on or purchasing real property at a tax sale.
- Requires the county auditor to determine that an assignee of a certificate is eligible to receive the assignment for an assignment to be valid.
- Provides that assignments of a certificate must be included on the county auditor's tax sale record.
- Requires the county, the county auditor, or a county vendor to list certain information concerning tax sales on the website of the county, county auditor, or county vendor for a specified period of time.
- Specifies that a county or a county vendor is not liable for an act or omission related to making information available on a website.

SEA 157, P.L. 27 - PARCELS OFFERED AT SUCCESSIVE TAX SALES

Author: Niemeyer (R-Lowell)

Sponsor: Slager (R-Griffith)

Summary of Provisions

- Requires that the county auditor's notice of tax sale include a statement providing that if a tract or item of real property has been offered for sale at a county treasurer's tax sale (treasurer's sale) and a county executive's tax sale (executive's sale) on two or more occasions without a bid, the tract or item of real property may be subject to an ordinance authorized by the bill.
- Adds a person who claims a substantial property interest of public record to a statute concerning the county auditor's provision of notice of tax sale to certain persons who annually request a copy of the notice.
- Provides that a person who owns any tract or item of real property that has been offered for sale at a treasurer's sale and executive's sale on two or more occasions without a bid is prohibited from bidding on or purchasing tracts offered for sale.
- Adds language that allows a county legislative body to adopt an ordinance with respect to parcels of real property that have been offered for sale at a treasurer's sale and an executive's sale on two or more occasions without a bid.
- Specifies that such a parcel (subject to certain criteria) is considered a public hazard.
- Establishes a procedure for a county to transfer a tax sale certificate to a municipality or retain a tax sale certificate and for a county or municipality to file a petition with the circuit court (court) requesting the issuance of a deed for the property to the requesting county or municipality.

- Provides that, at the request of a municipality, the county auditor and county treasurer (subject to available funding) shall enter into a mutual agreement for the county auditor to perform certain duties concerning notification of a party's right to redeem such a parcel and the filing of a petition to the court for issuance of a tax deed for the parcel.
- Provides that the court shall hold a hearing on the petition for issuance of a tax deed.
- Provides requirements that apply to a quiet title action with respect to a parcel placed into the name of a county or municipality.
- Provides that an owner of a parcel of real property that has been offered for sale at a treasurer's sale and an executive's sale on two or more occasions without a bid may transfer the real property, subject to any liens and encumbrances, by warranty deed to a county or municipality.

SEA 180, P.L. 100 - ALLOCATION OF WASTEWATER UTILITY COSTS

Author: Koch (R-Bedford)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Allows a utility company that:
 - (1) provides both water and wastewater service; and
 - (2) has acquired wastewater utility property;
- To request, in the context of a petition by the utility company to the Indiana utility regulatory commission (IURC) for preapproval of a plan for proposed service enhancement improvements to the utility company's wastewater utility property, authorization from the IURC to allocate a portion of the eligible costs of the utility company's wastewater utility property to the utility company's water customers.
- Provides that if the petition includes such a request for an allocation of costs, the utility company shall provide a copy of:
 - (1) the petition; and
 - (2) the utility company's case in chief; to each intervenor in the utility company's last general rate case.
- Provides that the IURC may approve the request if the IURC finds that:
 - (1) because of reasonable and necessary improvements that are proposed for the wastewater utility property, the resulting rates charged to wastewater customers would reach levels necessitating the provision of financial assistance to those customers;
 - (2) the total rates charged by the utility company for water service will not increase unreasonably as a result of the allocation;
 - (3) the utility company has included information in its proposal regarding the availability of grants or low interest loans and whether the utility company considered using grants or low interest loans to help finance or reduce the cost of the service enhancement improvements; and
 - (4) the utility company has developed an asset management program.
- Provides that an increase in the total rates charged for water service by the utility company as a result of the allocation is not unreasonable to the extent the allocation results in an increase in authorized total revenues of 2% or less.
- Provides that if the IURC approves a utility company's request for an allocation of costs, the utility company shall include a notice on or with water customer monthly bills specifying the amount of the service enhancement improvement adjustment rider approved by the commission that recovers necessary wastewater utility improvements.

SEA 187, P.L. 173 - PUBLIC SAFETY MATTERS

Author: Sandlin (R-Indianapolis)

Sponsor: Speedy (R-Indianapolis)

Summary of Provisions

- Provides that a unit shall provide by ordinance the number of police reserve officers a law enforcement agency may appoint.
- Provides that the law enforcement training board may revoke, suspend, modify, or restrict a document

- showing compliance and qualifications for a unit's police reserve officer who has committed misconduct.
- Provides that a law enforcement agency hiring a police reserve officer must contact every other law enforcement agency that employed (or employs) the applicant and request the applicant's employment file and disciplinary record.
- Provides that a special law enforcement officer employed by the city of Indianapolis full time after June 30, 2023, to perform park ranger duties (park ranger) is subject to the same training requirements as regular law enforcement officers.
- Provides that the facilities of the Indiana law enforcement academy must be used to provide a park ranger with the required basic training.

SEA 268, P.L. 104 - PROHIBITED PENSION SYSTEM INVESTMENTS

Author: Garten (R-Charlestown)

Sponsor: Judy (R-Fort Wayne)

Summary of Provisions

- Prohibits the Indiana public retirement system from investing in certain restricted entities or restricted investment products, including particular investments publicly confirmed to be controlled by the People's Republic of China or the Chinese Communist Party.
- Specifies exceptions, a divestment schedule, and reporting requirements.
- Adds a provision urging the legislative council to assign to the interim study committee on pension management oversight the topic of studying whether to cease or defer divestment or resume investment in an entity or product in accordance with the provisions regarding divestment from Chinese companies.

SEA 271, P.L. 105 - CERTIFIED TECHNOLOGY PARKS

Author: Buchanan (R-Lebanon)

Sponsor: Snow (R-Warsaw)

Summary of Provisions

- Specifies additional information that a certified technology park (park) is required to provide to the Indiana economic development corporation (corporation) during a review.
- Provides that if a park has reached the limit on deposits and maintains its certification, the park shall become a Level 2 park.
- Increases, from \$100,000 to \$250,000, the annual additional incremental income tax deposit amount that a park captures once it has reached its limit on deposits.
- Clarifies the calculation of the additional incremental income tax deposit amount in the year in which a park reaches its limit on deposits.
- Provides that when the corporation certifies a Level 2 park, the corporation shall make a determination of whether the park shall continue to be designated as a Level 2 park.
- Requires the corporation to report to the budget committee certain information pertaining to businesses located in each park on a biennial basis.

SEA 277, P.L. 107 - FIRE PROTECTION

Author: Freeman (R-Indianapolis)

Sponsor: Speedy (R-Indianapolis)

Summary of Provisions

- Provides that an individual who is certified as a fire inspector may conduct a fire inspection.
- Provides that an individual who is certified as a fire inspector and not an employee of the fire department may conduct a fire inspection after completing additional requirements.
- Requires a structure constructed or initially converted or remodeled after June 30, 2023, for use as an animal facility to have a fire alarm system or staff on duty any time a dog or cat is present on the premises.
- Authorizes periodic local or state fire inspections to determine compliance.

SEA 296, P.L. 7 - SALE OF TAX DELINQUENT REAL PROPERTY

Author: Koch (R-Bedford)

Sponsor: Jeter (R-Fishers)

Summary of Provisions

- Defines the term “severed interest” as an improvement, mineral rights, air rights, water rights, or other rights in property in, on, under, or above the land for which the owner or holder of the interest identified in the current real property tax records of the county auditor is sent a separate property tax statement.
- Provides that the estate in fee simple that is vested in a grantee by a tax deed executed under the law on the sale of tax delinquent property is subject to a lease shown by public record if the tax deed conveys only a severed interest located in, on, under, or above the land.
- Provides that the rights that an owner of land has in the land, in a lease shown by public record, or in a memorandum of a lease shown by public record are not limited or abrogated by a tax deed conveying an interest in one or more severed improvements.

SEA 317, P.L. 181 - CONTRACTING AND PURCHASING

Author: Zay (R-Huntington)

Sponsor: May (R-Bedford)

Aim Comments

SEA 317 is one of Aim’s legislative initiatives. Prior to the passage of SEA 317, local units of government could not make deposits for large purchases or prepay vendors for supplies or events even if the vendor requiring the deposit was cheaper. SEA 317 now expands the ability for political subdivisions to make advance payments for goods or services before the goods are delivered or services are completed if the fiscal body of the political subdivision authorizes advance payments. A political subdivision may also make advance payments to contractors to enable the contractors to purchase materials needed for a public works project of the political subdivision.

Aim worked with the State Board of Accounts on some of the guardrails that were included. Prepayments or deposits cannot exceed \$2M or 50% of the total cost of the project. In addition, if the fiscal body of the political subdivision authorizes making advance payments, the local fiscal officer or the local fiscal officer’s designee must do the following when advance payments are made:

- (A) Track prepayments by defining the prepayment on a purchase order
- (B) Create a prepayment invoice that is associated with the purchase order
- (C) Require insurance or a surety bond in the amount of the prepayment if the amount of the prepayment is more than \$150,000

Summary of Provisions

- Provides that a political subdivision may make advance payments to contractors to enable the contractors to purchase materials needed for a public works project of the political subdivision.
- Provides that a political subdivision may make advance payments for goods or services before the goods are delivered or services are completed if the fiscal body of the political subdivision authorizes advance payments.

SEA 332, P.L. 43 - PLANNING AND ZONING AFFECTING MILITARY BASES

Author: Messmer (R-Jasper)

Sponsor: Manning (R-Denver)

Summary of Provisions

- Allows a unit to establish a military impact zoning district for an area adversely impacted by the effects of military operations.
- Establishes a state area of interest that is comprised of land within one or both of the following:
 - (1) Within three miles of certain military installations.

- (2) Within a military impact zoning district.
- Makes planning, zoning, and development activity (activity) in a state area of interest subject to the military installation commander's determination regarding the activity's impact on military operations.
- Allows a representative of the military installation to serve as a nonvoting adviser to the unit's plan commission.
- Requires a lease or real estate sales disclosure form to disclose that the property is within a state area of interest.
- Provides that the responsibility for the disclosure required by the owner that the property is located near a military installation rests solely with the owner of the property and no liability for the owner's failure to make the required disclosure shall accrue to any third party.

SEA 350, P.L. 111 - PROFESSIONAL LICENSING

Author: Raatz (R-Richmond)

Sponsor: Prescott (R-Union City)

Summary of Provisions

- Provides that a unit may not regulate behavioral health and human services that are:
 - (1) licensed or certified; or
 - (2) exempted from licensure or certification; by the behavioral health and human services licensing board.

SEA 374, P.L. 8 - REGIONAL WATER, SEWAGE, OR SOLID WASTE DISTRICTS

Author: Koch (R-Bedford)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Increases the maximum amount that may be paid to a member of the board of trustees of a regional water, sewage, or solid waste district from \$50 to \$150 per day.
- Removes a provision that allows for the payment of not more than \$125 per day to members of the board of trustees of a regional water and sewage district that meets certain requirements.

SEA 414, P.L. 192 - ONSITE WASTE MANAGEMENT DISTRICTS AND SEPTAGE HOLDING TANKS

Author: Byrne (R-Byrneville)

Sponsor: Engleman (R-Georgetown)

Summary of Provisions

- Amends the definition of "onsite residential sewage discharging disposal system" to provide that the term includes a system that employs advanced treatment components to reduce the concentration of the pathogenic constituents of the effluent to an acceptable level before the effluent is discharged.
- Amends the law that prohibits the point source (i.e., above ground) discharge of treated sewage from a dwelling, which includes an exception to the prohibition for one particular county that has a onsite waste management district, to make the exception applicable to any onsite waste management district.
- Authorizes the adoption of rules or guidelines to provide guidance to a local health department that has jurisdiction in a county onsite waste management district and that is authorized to issue operating permits for onsite residential sewage discharging disposal systems that discharge effluent above ground.
- Provides that, if amending the National Pollutant Discharge Elimination System (NPDES) general permit issued by the department of environmental management (department) for the purposes of the county onsite waste management district law is necessary or advisable to enable new county onsite waste management districts to function properly and effectively, the department shall amend the general permit as soon as reasonably possible after June 30, 2023.

- Provides that septage that originates from a residential or commercial source may be held in one or more holding tanks of not more than 10,000 gallons until removed and transported from the site. Establishes requirements for septage holding tanks.
- Requires a permit from the local health department for the operation of a septage holding tank.
- Requires a septage tank owner to:
 - (1) enter into a written contract with a septage management vehicle operator for regular removal of septage from the tank;
 - (2) provide a copy of the contract to the local health department; and
 - (3) provide proof to the local health department that the tank owner is regularly paying for the removal of septage from the holding tank.
- Requires a local health department to report to the department concerning the septage tanks in its jurisdiction, and authorizes the adoption of rules or guidelines concerning the reports.

SEA 445, P.L. 9 - ELECTRONIC MONITORING STANDARDS

Author: Walker, K. (R-Lawrence)

Sponsor: McNamara (R-Evansville)

Summary of Provisions

- Permits the justice reinvestment advisory council to develop electronic monitoring standards and to submit an annual report as to the standards.
- Permits the justice reinvestment advisory council to conduct a workload study of electronic monitoring and home detention, make certain findings, and submit a report to the legislative council not later than July 1, 2025.
- Provides that a contract employee of a supervising agency is required to notify the supervising agency of certain actions with respect to a tracked individual not later than 12 hours after the action occurs.
- Requires this notification to be sent within 15 minutes if the tracked individual is serving a sentence for a crime of violence or a crime of domestic or sexual violence, and additionally requires the supervising agency to notify a vulnerable victim and request law enforcement to perform a welfare check, if there is a vulnerable victim.
- Specifies that a supervising agency must include in a quarterly report the number of tracked individuals who are on parole supervision and the number of false location alerts, device malfunctions, or both.
- Provides that a local supervising agency shall report directly to the local justice reinvestment advisory council each quarter, and that the division of parole services shall report to the statewide justice reinvestment advisory council each quarter.
- Requires the statewide justice reinvestment advisory council to transmit an annual electronic report to the legislative council and to the judicial conference of Indiana not later than March 15 of each year.

SEA 472, P.L. 54 - ADVANCED RECYCLING

Author: Messmer (R-Jasper)

Sponsor: Morrison (R-Brazil)

Summary of Provisions

- Defines "advanced recycling" as a manufacturing process for the conversion of post-use polymers and recovered feedstocks into basic raw materials, feedstocks, chemicals, and other products.
- Defines "advanced recycling facility" as a manufacturing facility that:
 - (1) receives, stores, and converts post-use polymers and recovered feedstocks resulting from advanced recycling; and
 - (2) is subject to manufacturing regulation by the department of environmental management.
- Provides:
 - (1) that post-use polymers and recovered feedstocks that are converted at an advanced recycling facility or held at an advanced recycling facility before conversion are not within the definition of "solid waste";

- (2) that an advanced recycling facility is not within the definition of “solid waste disposal facility”;
 - (3) that the activities undertaken at an advanced recycling facility are not within the definition of “solid waste management”; and
 - (4) that an advanced recycling facility is not within the definition of “solid waste disposal facility” or the definition of “solid waste processing facility”.
- Provides that certain solid waste management laws do not apply to advanced recycling facilities.
 - Provides, for purposes of Indiana environmental law, that products sold as fuel are not considered recycled products.



Accelerate Indiana
Municipalities

Community and Economic Development

2024
STATEHOUSE
REPORT

HEA 1001, P.L. 202 - STATE BUDGET

Author: Thompson (R-Lizton)

Sponsor: Mishler (R-Mishawaka)

Aim Comments

A full summary of HEA 1001, P.L. 202 – State Budget, in Administrative Chapter of this Budget Bulletin. There are several line items in the budget specifically related to economic development:

- READI 2.0 - \$500M
- Residential Housing Infrastructure Assistance Program - \$75M
 - The program's framework and certain requirements are included in HEA 1005 (Housing)
- Next Level Trails - \$30M

In addition to specific line items, there are several other provisions in the budget that impact economic development.

- READI 2.0
 - Language that was included in the Senate-passed version of the budget giving preference to RDAs was removed; however, language was added that requires the grants or loans awarded from the READI fund be used for capital projects or infrastructure improvements
 - Language in HEA 1454 (Department of Local Government Finance) adds additional eligible expenditures, including costs associated with housing and associated infrastructure, support for community mental health and public health and broadband in specific situations
 - HEA 1001 prohibits broadband projects from being funded by READI 2.0 if they are not in compliance with the requirements of Next Level Connections
 - HEA 1454 also prohibits broadband projects from being funded by READI if other funding sources for broadband have not been exhausted and if the projects don't meet the Next Level Connections criteria
- Billboards
 - Language was added to the budget that clarified that if a county or municipality did not approve the relocation of a billboard within the market area, the local unit is responsible for the payment of full and just compensation for the outdoor advertising sign under IC 8-23-20-27

Summary of Provisions

- Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes.
- Allows the Indiana economic development corporation (IEDC) to certify an applicable tax credit that exceeds the maximum allowable amount after review by the budget committee.
- Provides that the regional economic acceleration and development initiative program expires June 30, 2026.
- Specifies that the county or municipality that did not approve the relocation of an outdoor advertising sign is responsible for compensation of the taking of the outdoor advertising sign.
- Provides that an owner may relocate an outdoor advertising sign that is subject to a pending eminent domain action.
- Requires a contractor that provides tangible personal property incorporated into real property in a project located in an innovation development district to maintain records of all state gross retail and use tax paid or collected during a state fiscal year.
- Requires the department of local government finance to prepare an annual report and abstract concerning property tax data (instead of the auditor of state).
- Establishes a state tax credit for a taxpayer that makes certain qualified child care expenditures in providing child care to the taxpayer's employees.
- Provides that the legislative body of a first class city may adopt an ordinance to establish a special assessment district known as an economic enhancement district.
- Provides certain requirements for the ordinance and imposition of a special assessment.
- Requires the legislative body of the first class city that establishes an economic enhancement district to establish an economic enhancement district board.

- Establishes the northeast Indiana strategic development fund administered by the northeast Indiana strategic development commission.
- Establishes the regional economic acceleration and development initiative 2.0 fund (READI 2.0).
- Requires the IEDC to develop a policy for a READI 2.0 program. Provides that money in the READI 2.0 fund may be used to:
 - (1) support the IEDC's READI 2.0 program; and
 - (2) provide grants or loans to support proposals for economic development and regional economic acceleration and development.
- Establishes the attainable homeownership tax credit for a taxpayer who makes a contribution to an affordable housing organization.
- Provides that unexpended and unencumbered amounts appropriated from the federal economic stimulus fund in the state fiscal year ending before July 1, 2023, do not revert to the state general fund.
- Requires the state comptroller to transfer \$85,000,000 from the tobacco master settlement agreement fund to the state construction fund on July 1, 2023.

HEA 1005, P.L. 205 - HOUSING

Author: Miller (R-Elkhart)

Sponsor: Rogers (R-Granger)

Aim Comments

The Indiana General Assembly took a comprehensive look at the barriers and opportunities for housing growth in the state by convening a Housing Task Force last summer, on which Aim served and testified. The task force concluded with several recommendations for action by the General Assembly this session. HEA 1005 is a House Republican agenda bill that came from the task force and was supported by Aim. It includes a framework for a revolving loan fund (not a grant program) to be run by the Indiana Finance Authority to support infrastructure for housing projects and includes an Aim legislative initiative related to Residential TIF.

Specific to the revolving loan fund, 70% of the money in the fund must be used for housing infrastructure in municipalities with a population of less than 50,000. 30% of the money in the fund must be used for housing infrastructure in larger subdivisions. The IFA must establish a priority ranking system that prioritizes projects in communities that voluntarily waive certain standards and fees for the specific project. In addition, the IFA will prioritize projects for communities who have invested in a housing study. It is funded in the budget at \$75M.

HEA 1005 also includes language that Aim strongly supported to allow more communities to access the Residential TIF tool. Language in the bill removes the requirement that school boards approve a municipality's ability to use Residential TIF and removes the 1% test threshold. Under current law, a municipality could only use Residential TIF if they had less than 1% growth in their housing stock over three years.

The Indiana General Assembly did include additional guardrails related to Residential TIF in HEA 1005 and HEA 1454. HEA 1005 limits a residential housing development program to 20 years instead of the 25 years in current statute. HEA 1454 sunsets the changes in HB 1005 with respect to Housing TIF for 4 years after which point the Residential TIF statute reverts to having the 1% threshold and school board approval. HEA 1454 also requires the RDC to report the number of houses completed under the Residential TIF program and the average price of the house sold in the allocation area.

Summary of Provisions

- Establishes the residential housing infrastructure assistance program (program) and residential housing infrastructure assistance revolving fund (fund).
- Provides that the Indiana finance authority (authority) shall administer the fund and program.
- Provides that political subdivisions may apply to the fund for loans for certain infrastructure projects related to the development of residential housing.

- Provides that money in the fund may not be used for:
 - (1) debt repayment;
 - (2) maintenance and repair projects;
 - (3) upgrading utility poles; or
 - (4) consulting or engineering fees for studies, reports, designs, or analyses.
- Provides that loans from the fund must be allocated as follows:
 - (1) 70% of the money in the fund must be used for housing infrastructure in municipalities with a population of less than 50,000.
 - (2) 30% of the money in the fund must be used for housing infrastructure in all other political subdivisions.
- Requires the authority to establish a project prioritization system for the purpose of awarding loans from the fund, and specifies the criteria that must be included in the project prioritization system.
- Allows the authority to establish a leveraged loan program to or for the benefit of program participants.
- Requires the public finance director to prepare an annual report of the fund's activities for the legislative council and the budget committee.
- Provides that the fiscal body of a county may adopt an ordinance to designate an economic development target area.
- Removes the threshold conditions for establishing a residential housing development program and a tax increment allocation area for the program, including the condition that the governing body of each school corporation affected by the program pass a resolution approving the program before the program may go into effect.
- Changes the duration of a residential housing development program from 25 years (under current law) to 20 years after the date on which the first obligation for program is incurred.
- Makes a continuing appropriation.

HEA 1132, P.L. 124 - LAND USE TASK FORCE

Author: Culp (R-Rensselaer)

Sponsor: Buck (R-Kokomo)

Summary of Provisions

- Creates the land use task force to study and make recommendations concerning:
 - (1) areas where food insecurity exists;
 - (2) development growth trends in rural, suburban, and urban communities across Indiana; and
 - (3) other community growth issues.

HEA 1157, P.L. 126 - RESIDENTIAL HOUSING DEVELOPMENT PROGRAM

Author: Moed (R-Indianapolis)

Sponsor: Walker, K. (R-Lawrence)

Summary of Provisions

- Makes the following changes regarding Marion County redevelopment:
 - (1) Revises allocation area requirements for the redevelopment commission (commission) to establish a housing program.
 - (2) Allows the commission to establish a residential housing development program (residential housing program) and a tax increment funding allocation area for the residential housing program, if the construction of new houses fails to reach a benchmark.
- Requires the department of local government finance, in cooperation with the city of Indianapolis, to determine eligibility for the residential housing program.
- Specifies the rights, powers, privileges, and immunities of the commission in implementing a residential housing program.

HEA 1315, P.L. 137 - HOME WARRANTIES AND REGULATION OF RESIDENTIAL STRUCTURES

Author: Miller (R-Elkhart)

Sponsor: Baldwin (R-Noblesville)

Aim Comments

HEA 1315 has several provisions, including language related to home warranties for new builds for rental and model homes. In addition, the introduced bill included language dealing with zoning for fraternity and sorority houses and language was amended in impacting planning and zoning for mobile and manufactured homes.

As it relates to planning and zoning, the bill prohibits a county, city, or town from exercising its planning and zoning authority in a way that differentiates between fraternity and sorority houses on the sole basis of whether the fraternity or sorority is officially approved or recognized by the college or university. The bill also prevents a local unit from adopting a regulation related to mobile homes, manufactured homes or industrialized residential structures based on age. It also clarifies that the owner of a legal, nonconforming residential structure on private property that is damaged or destroyed to replace or repair the structure without losing legal nonconforming use status if the structure continues to be used for residential purposes.

Finally, the bill provides that a comprehensive plan and ordinance may not preclude the installation of manufactured homes that exceed a certain width and square footage as permanent residences on a lot on which any other type of dwelling unit may be placed. Aim opposes legislation that further chips away at local planning and zoning decisions.

Summary of Provisions

- Allows a builder to disclaim implied warranties for a new home that is first occupied by a person renting the home as a residence from the initial home buyer.
- Allows a builder to disclaim implied warranties on a model home in the same manner as a home that is first occupied as a residence.
- Prohibits regulation of a mobile home, a manufactured home, or an industrialized residential structure on private property (other than within a mobile home community) based on age.
- Allows the owner of a legal, nonconforming residential structure on private property that is damaged or destroyed to replace or repair the structure without losing legal nonconforming use status as long as the structure continues to be used for residential purposes.
- Provides that a comprehensive plan and ordinance in a county (other than Marion County) may not preclude the installation of manufactured homes that exceed a certain width (in addition to a certain square footage) as permanent residences on a lot on which any other type of dwelling unit may be placed.
- Provides that after June 30, 2023, a mobile home, a manufactured home, or an industrialized residential structure is not considered a new home or model home subject to the provisions concerning home warranties.
- Prohibits a county, city, or town from exercising its planning and zoning authority in a way that differentiates between fraternity and sorority houses on the sole basis of whether the fraternity or sorority is officially approved or recognized by the college or university.

HEA 1418, P.L. 82 - ANNEXATION OF RESIDENTIAL DEVELOPMENTS

Author: Soliday (R-Valparaiso)

Sponsor: Charbonneau (R-Valparaiso)

Summary of Provisions

- Permits a third-class city to annex an area that is a proposed residential development in which not all lots have been platted or dwellings have been constructed.
- Expands the area outside the city in which the annexation can occur from three miles to 4.5 miles.

HEA 1557, P.L. 88 - INVENTORY OF LOST FARMLAND

Author: Culp (R-Rensselaer)

Sponsor: Leising (R-Oldenburg)

Summary of Provisions

- Directs the state department of agriculture to conduct an inventory of farmland lost in Indiana from 2010 to 2022.

HEA 1575, P.L. 155 - FIRE PREVENTION AND BUILDING SAFETY COMMISSION

Author: O'Brien (R-Evansville)

Sponsor: Rogers (R-Granger)

Aim Comments

HEA 1575 makes several changes to the Indiana Department of Homeland Security's Fire Prevention and Building Safety Commission which is responsible for adopting statewide building codes. It changes the makeup of the board and limits the number of building codes that can be reviewed annually to three. It also makes changes to the process for a local unit to adopt more stringent standards than the statewide building code.

A local unit of government may not adopt an ordinance concerning construction and remodeling that conflicts with the statute or a building code adopted by the commission or adopt an ordinance that includes more stringent or detailed requirements than those set forth in the statute or a building code adopted by the commission.

The bill clarifies that this prohibition does not apply to a unit's architectural design standards or its zoning ordinances. If a local unit wants to adopt a stricter standard, they must submit a proposal to amend the statewide building code at a designated meeting. Ultimately, if a municipality wants to adopt more stringent standards, they will need to make their case to the commission at the required annual meeting that is set aside for this purpose.

Summary of Provisions

- Increases the size of the fire prevention and building safety commission (commission) from 11 members to 12 members.
- Requires commission members to represent certain defined interests or professions, beginning August 1, 2023.
- Requires a commission member to be a resident of Indiana, beginning August 1, 2023.
- Provides that a commission member serves at the pleasure of the governor.
- Increases the number of members required for a quorum from six members to seven members.
- Provides that the affirmative vote of not less than two-thirds of the commission members present and voting is necessary for purposes of adopting a rule.
- Provides certain procedures for the review and adoption of building codes.
- Provides that a local unit of government may not adopt an ordinance concerning construction and remodeling that:
 - (1) conflicts with the statute or a building code adopted by the commission; or
 - (2) includes more stringent or detailed requirements than those set forth in the statute or a building code adopted by the commission.
- Provides that this prohibition does not apply to a unit's architectural design standards or its zoning ordinances.

SEA 20, P.L. 167 - ALCOHOL MATTERS

Author: Brown (R-Fort Wayne)

Sponsor: Lehman (R-Berne)

Aim Comments

Included in Aim's 2023 legislative initiatives was support for modernizing alcohol laws to provide additional flexibility for municipalities to serve alcohol at events, festivals and in specific areas of the community as an ongoing amenity. SEA 20 allows municipalities to establish up to seven designated outdoor refreshment areas with ATC approval that allow patrons that are twenty-one and older to purchase and consume alcoholic beverages within the area either during municipally organized events or during predetermined dates and times when no events are scheduled.

Cities and towns throughout Indiana have been working hard to improve their outdoor public spaces to make their communities better places to live, work, and play. Aim supported the additional flexibility granted in SEA 20 as a local option for communities to consider.

Summary of Provisions

- Allows a city or town to designate an outdoor location as a refreshment area with the approval of the alcohol and tobacco commission (commission).
- Provides that if a refreshment area is approved, the commission designates retailer permittees that may sell alcoholic beverages for consumption within the refreshment area.
- Prohibits a refreshment area from being located near a school or church unless the school or church does not object.
- Allows a minor to be within the refreshment area.
- Adds language providing that a person entering a licensed premises within a refreshment area with an alcoholic beverage is not subject to criminal penalties.
- Makes it a Class C infraction for a participating retailer permittee or vendor to sell a person more than two alcoholic beverages at a time or an open container of an alcoholic beverage that exceeds the volume limitations.
- Allows a restaurant to sell or dispense alcoholic beverages from a bar located on the licensed premises that opens to an outside patio or terrace that is contiguous to the main building.

SEA 242, P.L. 175 - FLOODPLAIN MAPPING

Author: Leising (R-Oldenburg)

Sponsor: Baird (R-Greencastle)

Aim Comments

SEA 242 is in response to legislation that passed during the 2022 legislative session. SEA 242 repeals the requirement that local floodplain administrators use the "best floodplain mapping data" as provided by the Department of Natural Resources (DNR) through the Indiana Floodplain Information Portal when reviewing an application for a permit to authorize construction in or near a floodplain.

SEA 242 requires that after June 30, 2023, a county or municipality may not issue a permit for construction activity in or near a floodplain unless the permit applicant is allowed to elect whether the local floodplain administrator will use DNR's "best floodplain mapping data" OR an engineering study provided by the permit applicant. The intent of the legislation is to provide additional flexibility to property owners whose property is located in a floodplain according to the DNR's data. The bill does clarify that a local floodplain administrator is prohibited from issuing a permit authorizing a structure or construction activity in or near a floodplain if the issuance of the permit will violate National Flood Insurance Program requirements.

In addition, there is a new training requirement for local floodplain administrators. After June 30, 2025, an individual may not serve as the floodplain administrator of a county or municipality unless the individual has successfully completed the Certified Floodplain Manager program of the Association of State Floodplain

Managers or another course or training program for local floodplain managers that is approved by the Federal Emergency Management Agency or DNR.

Summary of Provisions

- Repeals the requirement that local floodplain administrators use the “best floodplain mapping data” as provided by the department of natural resources (department) and located on the Indiana Floodplain Information Portal when reviewing an application for a permit to authorize construction in or near a floodplain.
- Provides that, after June 30, 2023, a county or municipality may not issue a permit for construction activity in or near a floodplain unless the permit applicant is allowed to elect whether the local floodplain administrator will use:
 - (1) the department’s “best floodplain mapping data”; or
 - (2) an engineering study provided by the permit applicant;
- in reviewing the permit application.
- Prohibits a local floodplain administrator from issuing a permit authorizing a structure or construction activity in or near a floodplain if the issuance of the permit will violate National Flood Insurance Program requirements.
- Provides that, after June 30, 2025, an individual may not serve as the floodplain administrator of a county or municipality unless the individual has successfully completed:
 - (1) the Certified Floodplain Manager program of the Association of State Floodplain Managers; or
 - (2) another course or training program for local floodplain managers that is approved by the Federal Emergency Management Agency or the department.
- Provides that a person that has:
 - (1) an ownership interest;
 - (2) a leasehold interest; or
 - (3) a security interest; in a parcel of real property may at any time request a review by the department of the department’s “best floodplain mapping data” that applies to the parcel of real property.
- Requires the department to conduct the review at no cost to the person requesting the review and to use a detailed hydrologic modeling method in conducting the review.
- Provides that:
 - (1) if the person requesting the review has applied to a local floodplain administrator for a permit authorizing the construction of a structure or other construction activity on the parcel of real property; and
 - (2) the department does not complete the review within 120 days after the review was requested; the person may elect whether the local floodplain administrator, in reviewing the person’s permit application, will use the department’s “best floodplain mapping data” or an engineering study provided by the person.
- Provides that, in the disclosure form that is adopted by the Indiana real estate commission and that must be submitted to a prospective buyer of real estate before the prospective buyer’s offer is accepted, the owner of real estate must disclose the fact that all or a portion of the owner’s real estate is located within a community’s floodplain boundaries, as indicated in a Federal Emergency Management Agency Flood Insurance Rate Map, if the owner has personal knowledge of that fact.

SEA 271, P.L. 105 - CERTIFIED TECHNOLOGY PARKS

Author: Buchanan (R-Lebanon)

Sponsor: Snow (R-Warsaw)

Summary of Provisions

- Specifies additional information that a certified technology park (park) is required to provide to the Indiana economic development corporation (corporation) in the course of a review.
- Provides that if a park has reached the limit on deposits and maintains its certification, the park shall become a Level 2 park.
- Increases, from \$100,000 to \$250,000, the annual additional incremental income tax deposit amount that a park captures once it has reached its limit on deposits.

- Clarifies the calculation of the additional incremental income tax deposit amount in the year in which a park reaches its limit on deposits.
- Provides that when the corporation certifies a Level 2 park, the corporation shall make a determination of whether the park shall continue to be designated as a Level 2 park.
- Requires the corporation to report to the budget committee certain information pertaining to businesses located in each park on a biennial basis.

SEA 277, P.L. 107 - FIRE PROTECTION

Author: Freeman (R-Indianapolis)

Sponsor: Speedy (R-Indianapolis)

Summary of Provisions

- Provides that an individual who is certified as a fire inspector may conduct a fire inspection.
- Provides that an individual who is certified as a fire inspector and not an employee of the fire department may conduct a fire inspection after completing additional requirements.
- Requires a structure constructed or initially converted or remodeled after June 30, 2023, for use as an animal facility to have a fire alarm system or staff on duty any time a dog or cat is present on the premises.
- Authorizes periodic local or state fire inspections to determine compliance.

SEA 326, P.L. 183 - PROFESSIONAL SPORTS AND CONVENTION DEVELOPMENT AREAS

Author: Mishler (R-Mishawaka)

Sponsor: Teshka (R-South Bend)

Summary of Provisions

- Adds certain city facilities located in the city of South Bend to the tax area of the South Bend professional sports and convention development area (PSCDA).
- Increases the maximum amount of covered taxes that may be captured in the PSCDA from \$2,000,000 to \$5,000,000.
- Provides that the first \$2,500,000 of captured taxes each year shall be transferred to the city of South Bend to be used for capital improvements for a facility owned by the city and used by a professional sports franchise.
- Provides that the remaining captured taxes each year shall be transferred to the city of South Bend to be used consistent with specified uses under current law.
- Provides that the South Bend PSCDA terminates not later than June 30, 2044.
- Increases the amount of revenue that may be captured in a PSCDA (other than a PSCDA in Allen County or South Bend) to an amount that may not exceed \$10 (instead of \$5 under current law) per resident.
- Authorizes the city of Fishers to establish a professional sports development area.
- Provides that, for a professional sports development area established in the city of Fishers, the maximum amount of covered taxes that may be captured is \$2,000,000 per year. Specifies the uses of the captured tax revenue. Provides that the professional sports development area terminates not later than June 30, 2044.

SEA 332, P.L. 43 - PLANNING AND ZONING AFFECTING MILITARY BASES

Author: Messmer (R-Jasper)

Sponsor: Manning (R-Denver)

Summary of Provisions

- Allows a unit to establish a military impact zoning district for an area adversely impacted by the effects of military operations.
- Establishes a state area of interest that is comprised of land within one or both of the following:
 - (3) Within three miles of certain military installations.
 - (4) Within a military impact zoning district.

- Makes planning, zoning, and development activity (activity) in a state area of interest subject to the military installation commander's determination regarding the activity's impact on military operations.
- Allows a representative of the military installation to serve as a nonvoting adviser to the unit's plan commission.
- Requires a lease or real estate sales disclosure form to disclose that the property is within a state area of interest.
- Provides that the responsibility for the disclosure required by the owner that the property is located near a military installation rests solely with the owner of the property and no liability for the owner's failure to make the required disclosure shall accrue to any third party.

SEA 344, P.L. 186 - NORTHEAST INDIANA STRATEGIC DEVELOPMENT COMMISSION

Author: Holdman (R-Markle)

Sponsor: Heinie (R-New Haven)

Summary of Provisions

- Establishes the northeast Indiana strategic development fund (fund) administered by the northeast Indiana strategic development commission (commission).
- Prohibits money in the fund from being used for the purposes of expanding or increasing access to broadband.
- Adds additional purposes to be carried out by the commission in the development area.
- Expands the membership of the commission to include two additional voting members to be appointed by the mayors and commissioners caucus of the northeast Indiana regional development authority and specifies certain qualifications for the appointments.

SEA 434, P.L. 194 - ECONOMIC DEVELOPMENT IN LAKE COUNTY

Author: Melton (D-Gary)

Sponsor: Slager (R-Griffith)

Summary of Provisions

- Establishes the blighted property demolition fund (demolition fund).
- Provides that money in the demolition fund is to be used for costs associated with demolishing a qualified property located in the territory of a current or future transit development district or in the area surrounding the Gary Metro Center.
- Allows the Lake County fiscal body to adopt an increase in the county innkeeper's tax.
- Establishes the Lake County economic development and convention fund (convention fund). Provides that money in the convention fund may be used for purposes related to a convention center in Lake County.
- Establishes a local county fund known as the Lake County convention and event center reserve fund (reserve fund).
- Provides that the revenue received from an increase in the innkeeper's tax is deposited in the reserve fund.
- Provides that, beginning July 1, 2023, proposals may be submitted for construction and operation of a Lake County convention and event center to the Lake County board of commissioners.
- Provides minimum requirements for a proposal. Provides that if a proposal is approved, the Lake County convention center authority is established to provide general oversight.
- Establishes the Gary Metro Center station revitalization fund (metro center station fund).
- Establishes the Gary Metro Center station revitalization project board to provide oversight of the ongoing maintenance and operation of the Gary Metro Center station.
- Beginning after June 30, 2025, requires the department of state revenue to deposit certain amounts in each state fiscal year of the riverboat wagering tax revenue collected from a riverboat operating within the city of Gary in the demolition fund, the convention fund, and the metro center station fund.



Accelerate Indiana
Municipalities

Courts

2024
STATEHOUSE
REPORT

HJR 6 TOWN AND CITY COURT JUDGES

Author: Aylesworth (R-Hebron)

Sponsor: Koch (R-Bedford)

Summary of Provisions

- Provides that the judge of a city or town court shall reside in:
 - (1) the county in which the city or town court is located; or
 - (2) the bordering Indiana county that is the closest Indiana county to the city or town in which the court is located.
- This proposed amendment has not been previously agreed to by a general assembly.

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Accelerate Indiana
Municipalities

Criminal Code

2024
STATEHOUSE
REPORT

HEA 1186, P.L. 67 - ENCROACHMENT ON AN INVESTIGATION

Author: McNamara (R-Evansville)

Sponsor: Freeman (R-Indianapolis)

Summary of Provisions

- Provides that a person who knowingly or intentionally approaches within 25 feet of a law enforcement officer after the law enforcement officer has ordered the person to stop commits a Class C misdemeanor.
- Specifies that “emergency incident area” may include an area 25 feet in all directions from the perimeter of an emergency incident area. (Under current law, the area is 150 feet).

HEA 1363 - CRIMINAL MISCHIEF AND CRIMINAL TRESPASS

Author: Negele (R-Attica)

Sponsor: Alting (R-West Lafayette)

Summary of Provisions

- Provides that a person who recklessly, knowingly, or intentionally damages the property of a scientific research facility without the consent of, or with consent which was fraudulently obtained from, the owner, possessor, or occupant of the property that is damaged commits criminal mischief, a Class A misdemeanor.
- Provides that a person who, not having a contractual interest in the property, knowingly or intentionally enters the real property of a scientific research facility without the permission of, or with permission which was fraudulently obtained from, the owner of the scientific research facility or an authorized person, and knowingly or intentionally engages in conduct that causes property damage to:
 - (1) the owner of or a person having a contractual interest in the scientific research facility;
 - (2) the operator of the scientific research facility; or
 - (3) a person having personal property located on the property of the scientific research facility; commits criminal trespass, a Level 6 felony.

HEA 1365, P.L. 80 – MACHINE GUNS

Author: Gore (D-Indianapolis)

Sponsor: Freeman (R-Indianapolis)

Summary of Provisions

- Revises, for purposes of an enhancement and certain criminal offenses, a definition of “machine gun”.
- Provides that particular criminal offenses concerning machine guns do not apply to certain persons, including persons possessing machine guns or other items not required to be registered in the National Firearms Registration and Transfer Record maintained by the federal Bureau of Alcohol, Tobacco, Firearms and Explosives.
- Makes a conforming amendment.

SEA 48, P.L. 3 - CHILD SEX OFFENSES

Author: Crider (R-Greenfield)

Sponsor: McNamara (R-Evansville)

Summary of Provisions

- Provides that a criminal prosecution of a sex offense committed against a child that is otherwise barred by the statute of limitations may nevertheless be commenced within five years from the date on which:
 - (1) the state discovers DNA evidence;
 - (2) the state learns of a recording that provides evidence sufficient to charge the offender; or
 - (3) a person confesses to the offense.
- Specifies that a person commits human trafficking if the person pays money to a human trafficking victim. (Current law provides that the person commits the offense by paying money for a human trafficking victim.)

SEA 158, P.L. 28 - DOMESTIC VIOLENCE

Author: Crider (R-Greenfield)

Sponsor: McNamara (R-Evansville)

Summary of Provisions

- Provides that a person arrested for certain crimes committed against a family or household member may not be released on bail for 24 hours.
- Provides that a charge of invasion of privacy is elevated to a Level 6 felony if the person has a prior unrelated criminal stalking conviction.
- Provides that certain crimes are considered a serious violent felony for the purposes of unlawful possession of a firearm by a serious violent felon.

SEA 161, P.L. 172 - UNLAWFUL SURVEILLANCE

Author: Crider (R-Greenfield)

Sponsor: McNamara (R-Evansville)

Summary of Provisions

- Adds a prohibition against using a tracking device to the list of conditions a court may impose when issuing a protection order. Increases the penalty for stalking to a Level 5 felony if the offense is committed by means of a tracking device.
- Provides that a person who knowingly or intentionally places a tracking device on an individual or the individual's property without the individual's knowledge or consent commits unlawful surveillance, a Class A misdemeanor, unless certain exceptions apply, and increases the penalty to a Level 6 felony if the person is the subject of a protective order or has certain prior convictions.
- Establishes a sentence enhancement if a person uses a tracking device to commit or facilitate the commission of a crime.

SEA 379, P.L. 48 - DRUG SCHEDULES

Author: Sandlin (R-Indianapolis)

Sponsor: Steuerwald (R-Avon)

Summary of Provisions

- Adds specified substances to the list of controlled substances.
- Defines "fentanyl containing substance" and increases the penalty for dealing a drug that is a fentanyl containing substance.



Accelerate Indiana
Municipalities

Environmental

2024
STATEHOUSE
REPORT

HEA 1001, P.L. 202 - STATE BUDGET

Author: Thompson (R-Lizton)

Sponsor: Mishler (R-Mishawaka)

Summary of Provisions

A full summary of HEA 1001, P.L. 202 – State Budget, in Administrative Chapter of this Budget Bulletin. There are several provisions in the budget specifically related to the environment.

Summary of Provisions

- Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes.
- Creates the residential water testing fund to test the water supply of an individual property owner of an eligible township.
- Amends a statute concerning powers and duties of a regional water, sewage, or solid waste district established under prior law.
- Extends the sunset for the invasive species council and fund from July 1, 2023, to July 1, 2031. Prohibits school corporations and charter schools from charging a fee for curricular materials to students.

HEA 1402, P.L. 232 - SEWAGE MATTERS

Author: Pressel (R-Rolling Prairie)

Sponsor: Niemeyer (R-Lowell)

Aim Comments

HEA 1402 is a continuation of HEA 1245 from the 2022 legislative session and includes language related to utilities, including wastewater utilities and septic tanks. Instead of submitting it to the Department of Health, the bill requires a county, city or town ordinance concerning residential onsite sewage systems to be submitted to the Technical Review Panel (TRP) to request approval of the ordinance along with a rationale for the ordinance and a statement of financial impact. The ordinance is not effective unless approved by the TRP.

It also makes changes to how inspections can be done. Neither a local health department official or employee of a local unit of government can enter a property on which a residential onsite sewage system is located for the purpose of inspection if, not more than 180 days before the day of the inspection, the owner or occupant served by the residential onsite sewage system and a septic system installer or inspector registered within the county, an onsite sewage system technician or an Indiana professional engineer state in writing that the system is functioning properly.

There is also a change to the notice requirements when a municipality requires connection to its sewer. The language that was added requires the notice to include a list of the exemptions from connecting to the sewer system that are made available to the property owners described in IC 36-9-25-15. The notice must be given by certified mail to the property owner at the address of the property at least 90 days before the date specified for mandatory connection.

Additional language was amended into a bill impacting wastewater utilities that are not under the jurisdiction of the IURC. For municipally owned utilities that serve fewer than 8,000 customers, they must obtain the approval of the IURC of the municipal utility's plan to disconnect from another wastewater utility's wholesale wastewater service and construct a new wastewater treatment plant. This provision also applies to a public utility, not-for-profit utility, cooperatively owned utility, conservancy district, and a regional sewer district.

Summary of Provisions

- Provides that a wastewater utility that is not subject to the jurisdiction of the Indiana utility regulatory commission (commission) and that receives wholesale wastewater service from another wastewater utility may not:
 - (1) disconnect from wholesale wastewater service provided by the other wastewater utility; and

- (2) construct a new wastewater treatment plant to serve its customers; unless the wastewater utility obtains the approval of the commission.
- Requires:
 - (1) a regional sewage district; or
 - (2) certain municipalities;
- at least 90 days before requiring the connection of a property to a sewer system and the discontinuance of use of the property's septic system, to notify the property's owner about a statutory exemption from the requirement to connect to the sewer system that may apply to the property.
- Requires the Indiana department of health to update:
 - (1) all matters incorporated by reference in the Indiana department of health rules concerning residential onsite sewage systems (the rules); and
 - (2) all industry standard practices reflected in the rules; upon the recognition of new bulletins, standards, specifications, and industry standard practices that supersede the bulletins, standards, specifications, and industry standard practices incorporated by reference or otherwise reflected in the rules.
- Provides that the technical review panel must approve the updates before the Indiana department of health may update the rules.
- Provides that a county, city, or town ordinance that would restrict or prohibit the use of technology new to Indiana that has been approved by the technical review panel or that would otherwise vary from the rules:
 - (1) if adopted after June 30, 2023, is not effective unless it is submitted to and approved by the technical review panel; and
 - (2) if adopted before July 1, 2023, becomes void and unenforceable on July 1, 2023.
- Allows such an ordinance:
 - (1) to be readopted by the legislative body of the county, city, or town; and
 - (2) to be submitted to and approved by the technical review panel.
- Prohibits the installation of a residential onsite sewage system less than 25 feet from the edge of a sinkhole.
- Provides that an ordinance adopted by a local health department requiring an inspection of a septic system that is more stringent than the Indiana department of health's rule concerning residential onsite sewage systems is void and unenforceable.
- Provides that if a qualified professional listed in this bill has approved the design and specifications for the residential onsite sewage system, the local health department shall issue a permit for the residential onsite sewage system not more than 30 business days after receiving a complete application for the permit.
- Provides that a residential onsite sewage system may be installed in a lot meeting a certain description if at least one site on the lot is determined to be suitable for the installation of the residential onsite sewage system.
- Prohibits an employee of a local health department from entering a property to inspect a residential onsite sewage system:
 - (1) if qualified professional listed in the bill has notified the local health department within the preceding 180 days that the residential onsite sewage system is functioning properly; or
 - (2) if the owner or occupant has not been notified of the inspection by first class mail at least seven days before the inspection date.
- Provides the procedures for an owner or occupant of a property in which the local health department has determined that a residential onsite sewage system is in failure to receive a second opinion in order to withdraw the local health department's order.
- Provides that an individual who:
 - (1) is registered with at least one Indiana county to provide onsite sewage system service; and
 - (2) is certified as an inspector or installer by the Indiana Onsite Wastewater Professionals Association is entitled to provide onsite sewage system service in any county in Indiana, but may be required to pay a county license or registration fee before providing onsite sewage system service in a county other than the county in which the individual is licensed.

HEA 1512, P.L. 153 - WASTE DIVERSION AND RECYCLING

Author: Speedy (R-Indianapolis)

Sponsor: Messmer (R-Jasper)

Summary of Provisions

- Renames the central Indiana waste diversion pilot project the “central Indiana waste diversion project” (project). Establishes two new purposes for the project:
 - (1) advancing research and development to enhance existing waste diversion efforts and supporting the creation of new processes and technologies that expand upon the existing universe of waste diversion and reuse of recyclable material; and
 - (2) supporting recycling technology or programs for the return, collection, and sorting of recyclable glass, aluminum, or plastic beverage containers that are accessible to the general public and are operated by a retail merchant, a professional sports or entertainment venue, an airport, an elementary school or high school, or an institution of higher education.
- Extends the duration of the project from three years to four years.
- Requires the beginning of a second round of grant applications and awards.
- Provides that, in the second round, private sector persons and companies located in Hamilton, Hancock, Shelby, Johnson, Morgan, Hendricks, and Boone Counties (in addition to Marion County) may apply for grants from the program.
- Grant applicants must provide a financial match as determined by the Indiana recycling market development board (board).
- Requires the department of environmental management, for purposes of the second round, to develop and distribute grant application forms, accept grant applications, and make recommendations to the board.
- Authorizes the board to request additional information from a grant applicant if the board determines that the information provided does not meet certain requirements and to reopen the application process if the board determines that none of the applications submitted meet the goals of the project.
- Requires the board, in the second round, to award not more than a total of \$2,000,000 to grant applicants.
- Requests the legislative council to assign to an appropriate interim study committee the task of studying various recycling topics.

HEA 1623, P.L. 249 - ADMINISTRATIVE LAW

Author: Bartels (R-Eckerty)

Sponsor: Garten (R-Charlestown)

Summary of Provisions

- Establishes the government reform task force (task force). Provides for members of the task force.
- Requires the task force to submit a report.
- Prohibits the consideration of the number or amount of fines or civil penalties imposed on regulated entities by an employee in an agency’s evaluation or compensation of the employee.
- Makes various procedural changes concerning the adoption of administrative rules, including the following:
 - (1) Requires budget agency and office of management and budget review of a regulatory analysis of all proposed rules.
 - (2) Requires a state budget committee review of rules adding or increasing fees, fines, or civil penalties.
 - (3) Requires publication of the text of a proposed rule in the first public comment period and allows a proposed rule to be adopted after one public comment period if no substantive public testimony is received and the rule is not more stringent than applicable federal standards.
 - (4) Replaces various laws granting emergency rulemaking authority with a description of the circumstances when emergency rulemaking (renamed “provisional” rules and “interim” rules) may be used, increases governor and attorney general oversight of provisional or interim rules, and adds a public comment period for interim rules.
 - (5) Reduces from seven to five years the time in which rules need to be readopted to remain effective.
 - (6) Requires agencies to webcast public hearings and allow remote testimony.

- Prohibits state standards for disposal of coal combustion residuals to be more stringent than federal standards.
- Allows for certain rules on certain pesticides that are more stringent than federal law.
- Permits a person to recover attorney's fees if an agency issues an order that is based on an invalid rule or issued without legal authority.
- Permits an applicant or licensee to recover damages if a professional or occupational licensing agency fails to adopt a rule required to obtain a license.
- Repeals superseded statutes and makes cross-reference, name, and other conforming changes.

HEA 1639, P.L. 249 - WATERSHED DEVELOPMENT COMMISSIONS

Author: Ayelsworth (R-Hebron)

Sponsor: Glick (R-LaGrange)

Summary of Provisions

- Provides that the executives of one or more counties may adopt ordinances designating their counties as members of a proposed watershed development commission and that the proposed watershed development commission is established as a legal entity with the counties as its members if it is recognized by the natural resources commission.
- Allows a watershed development commission to be established for certain flood damage reduction, drainage, storm water management, recreation, and water infrastructure purposes, but provides that "water infrastructure purposes" excludes any drinking water project in a county or municipality.
- Requires the natural resources commission, in deciding whether to recognize a proposed watershed development commission, to answer certain questions.
- Provides that a nonmember county may become a member of an established watershed development commission if its membership is accepted by the member counties and recognized by the natural resources commission.
- Requires the department of natural resources (department), with the approval of the natural resources commission, to certify the area of a member county that is within a watershed development commission's designated watershed.
- Provides that a watershed development commission may also have water quality purposes if its board develops a water quality improvement plan that is approved by the natural resources commission.
- Specifies that a water quality purpose, goal, project, or interstate agreement does not convey water quality regulatory authority to a watershed development commission.
- Provides for a watershed development commission to be governed by a board that includes:
 - (1) the director of the department or the director's designee;
 - (2) the county surveyor of each county that is a member of the commission and is entitled to membership on the board;
 - (3) an individual other than the county surveyor representing each county that is a member of the commission and is entitled to membership on the board; and
 - (4) either:
 - (A) one individual appointed to represent each second class city that is located in a participating county and within the designated watershed of the watershed development commission; or
 - (B) if a participating county does not include a second class city that is located within the designated watershed of the watershed development commission, one individual appointed to represent the municipality that has the largest population of all municipalities that are located in the participating county and within the designated watershed of the watershed development commission.
- Requires a watershed development commission to develop a flood damage reduction and drainage plan for its designated watershed.
- Grants a watershed development commission exclusive authority to perform drainage and flood damage reduction activities within the channel of the river that is the surface water outlet of its designated watershed.
- Authorizes a watershed development commission to enter into an interlocal cooperation agreement with an existing local governmental authority to apportion flood damage reduction authority and

financial support between the two entities.

- Provides for the funding of a watershed development commission through an annual special assessment that may be imposed against each taxable parcel of real property located:
 - (1) in a member county; and
 - (2) within the designated watershed of the watershed development commission.
- Establishes maximum assessment levels and allows the board of a watershed development commission to reduce the special assessment to lower levels.
- Authorizes a member county to adopt any of three alternative methods of funding the watershed development commission.
- Prohibits the use of money collected from a special assessment for highway bridge repairs or reconstruction.
- Authorizes a watershed development commission to give preference to an Indiana business over an out-of-state business in contracting for public works.
- Establishes a procedure under which the Maumee River basin commission, the St. Joseph River basin commission, or the Upper Wabash River basin commission may be transformed into a watershed development commission.
- Provides that if the St. Joseph River basin commission is transformed into a watershed development commission, the members of the St. Joseph River basin commission become the first members of the St. Joseph River watershed development commission's advisory committee.

SEA 242, P.L. 175 - FLOODPLAIN MAPPING

Author: Leising (R-Oldenburg)

Sponsor: Baird (R-Greencastle)

Aim Comments

SEA 242 is in response to legislation that was passed during the 2022 legislative session. SEA 242 repeals the requirement that local floodplain administrators use the "best floodplain mapping data" as provided by the Department of Natural Resources (DNR) through the Indiana Floodplain Information Portal when reviewing an application for a permit to authorize construction in or near a floodplain.

SEA 242 requires that after June 30, 2023, a county or municipality may not issue a permit for construction activity in or near a floodplain unless the permit applicant is allowed to elect whether the local floodplain administrator will use DNR's "best floodplain mapping data" OR an engineering study provided by the permit applicant. The intent of the legislation is to provide additional flexibility to property owners whose property is located in a floodplain according to the DNR's data. The bill does clarify that a local floodplain administrator is prohibited from issuing a permit authorizing a structure or construction activity in or near a floodplain if the issuance of the permit will violate National Flood Insurance Program requirements.

In addition, there is a new training requirement for local floodplain administrators. After June 30, 2025, an individual may not serve as the floodplain administrator of a county or municipality unless the individual has successfully completed the Certified Floodplain Manager program of the Association of State Floodplain Managers or another course or training program for local floodplain managers that is approved by the Federal Emergency Management Agency or DNR.

Summary of Provisions

- Repeals the requirement that local floodplain administrators use the "best floodplain mapping data" as provided by the department of natural resources (department) and located on the Indiana Floodplain Information Portal when reviewing an application for a permit to authorize construction in or near a floodplain.
- Provides that, after June 30, 2023, a county or municipality may not issue a permit for construction activity in or near a floodplain unless the permit applicant is allowed to elect whether the local floodplain administrator will use:
 - (1) the department's "best floodplain mapping data"; or
 - (2) an engineering study provided by the permit applicant;

- in reviewing the permit application.
- Prohibits a local floodplain administrator from issuing a permit authorizing a structure or construction activity in or near a floodplain if the issuance of the permit will violate National Flood Insurance Program requirements.
- Provides that, after June 30, 2025, an individual may not serve as the floodplain administrator of a county or municipality unless the individual has successfully completed:
 - (1) the Certified Floodplain Manager program of the Association of State Floodplain Managers; or
 - (2) another course or training program for local floodplain managers that is approved by the Federal Emergency Management Agency or the department.
- Provides that a person that has:
 - (1) an ownership interest;
 - (2) a leasehold interest; or
 - (3) a security interest; in a parcel of real property may at any time request a review by the department of the department's "best floodplain mapping data" that applies to the parcel of real property.
- Requires the department to conduct the review at no cost to the person requesting the review and to use a detailed hydrologic modeling method in conducting the review.
- Provides that:
 - (1) if the person requesting the review has applied to a local floodplain administrator for a permit authorizing the construction of a structure or other construction activity on the parcel of real property; and
 - (2) the department does not complete the review within 120 days after the review was requested; the person may elect whether the local floodplain administrator, in reviewing the person's permit application, will use the department's "best floodplain mapping data" or an engineering study provided by the person.
- Provides that, in the disclosure form that is adopted by the Indiana real estate commission and that must be submitted to a prospective buyer of real estate before the prospective buyer's offer is accepted, the owner of real estate must disclose the fact that all or a portion of the owner's real estate is located within a community's floodplain boundaries, as indicated in a Federal Emergency Management Agency Flood Insurance Rate Map, if the owner has personal knowledge of that fact.

SEA 374, P.L. 8 - REGIONAL WATER, SEWAGE, OR SOLID WASTE DISTRICTS

Author: Koch (R-Bedford)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Increases the maximum amount that may be paid to a member of the board of trustees of a regional water, sewage, or solid waste district from \$50 to \$150 per day.
- Removes a provision that allows for the payment of not more than \$125 per day to members of the board of trustees of a regional water and sewage district that meets certain requirements.

SEA 390, P.L. 50 - COMMERCIAL SOLAR AND WIND ENERGY READY COMMUNITIES

Author: Messmer (R-Jasper)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Provides that the commercial solar and wind energy ready communities development center (center) may be established within the Indiana office of energy development (office).
- Provides that the center, if established, shall:
 - (1) provide comprehensive, easily accessible information concerning permits required for commercial solar projects and wind power projects; and
 - (2) work with permit authorities concerning those projects.
- Requires the center to create and administer a program to certify counties and municipalities as commercial solar energy ready communities and wind energy ready communities.

- Requires the office to certify a county or municipality as a commercial solar energy ready community or a wind energy ready community if the county or municipality meets certain requirements, including the adoption of a commercial solar regulation or wind power regulation that includes standards that are not more restrictive than the default standards established by Indiana law.
- Provides that a commercial solar and wind energy ready communities incentive fund (fund) may be established by the office.
- Provides that if:
 - (1) a county or municipality receives certification as a commercial solar energy ready community or a wind energy ready community;
 - (2) a project owner constructs a commercial solar project or wind power project in the county or municipality;
 - (3) the fund is established; and
 - (4) there is a sufficient balance in the fund; the office may authorize the county or municipality to receive from the fund, for a period of 10 years, \$1 per megawatt hour of electricity generated by the commercial solar project or wind power project.

SEA 412, P.L. 191 - NATURAL RESOURCES MATTERS

Author: Glick (R-LaGrange)

Sponsor: Lindauer (R-Jasper)

Summary of Provisions

- Authorizes the Little Calumet River basin development commission to make bank improvements and remove sediment and flood-causing debris in the area subject to its jurisdiction, subject only to the authority of the United States Army Corps of Engineers.
- Authorizes the division of water (division) of the department of natural resources (department), under certain circumstances, to file with the county recorder an affidavit stating that a violation or deficiency that is the subject of an enforcement action involving a structure classified by the department as a high hazard structure exists on a particular property in the county.
- Provides that the affidavit must:
 - (1) include a sworn statement that a violation or deficiency exists on the property;
 - (2) be recorded in the deed records of the county;
 - (3) be designed and worded so as to provide notice to the public; and
 - (4) include certain details about the property and current owner.
- Requires the department to file a release of the affidavit when the violation or deficiency is resolved.
- Requires the division to pay the fees for recording the affidavit and for recording a release of the affidavit.
- Amends the law on natural resources commission (commission) rules concerning lakes and reservoirs to eliminate provisions concerning the mediation of disputes.
- Amends the flood control law:
 - (1) to require a person who applies for a permit to create or maintain a structure, obstruction, deposit, or excavation on a site in a floodway to provide documentation of the person's ownership of the site or an affidavit from the owner of the site authorizing the performance of the proposed work; and
 - (2) to allow a person who applies for a permit to file an amendment to the permit application.
- Amends the floodplain management law:
 - (1) to require the commission to meet at least once every five years with officials of counties and municipalities to promote cooperation among counties and municipalities, provide technical and data assistance, conduct training, and provide communications and outreach;
 - (2) to provide that county and municipality officials may request to meet with the commission on a periodic basis;
 - (3) to require a permit for the creation, use, or maintenance of a structure, obstruction, deposit, or excavation on any state owned or state managed property in a floodplain;
 - (4) to provide that the lowest floor of any structure erected on state owned or state managed property in a floodplain must be least two feet above the 100 year frequency flood elevation; and

- (5) to require the commission to review and timely respond to any request from a county or municipality to revise the delineation of a flood hazard area.
- Provides that a person who applies for a permit authorizing the construction of a structure or other construction activity in or near a floodplain may elect whether:
 - (1) mapping data provided by the department; or
 - (2) an engineering study provided by the applicant; will be used by the local floodplain administrator when reviewing the person's permit application, and prohibits a local floodplain administrator from issuing a permit if the issuance of the permit would affect the county's or municipality's eligibility to participate in the National Flood Insurance Program.
- Amends the timber buyers law to provide that information in a timber buyer's records about the timber buyer's transactions with a particular timber grower may be disclosed to that timber grower.
- Provides that if a local governmental agency in county located along the Lake Michigan shore does not approve or deny a completed application for a nonemergency seawall or revetment permit within 30 business days after it is submitted, the permit is automatically approved and considered issued to the applicant.
- Requires the department to coordinate with local governmental agencies for purposes of the seawall or revetment permit process.
- Makes conforming changes.

SEA 414, P.L. 192 - ONSITE WASTE MANAGEMENT DISTRICTS AND SEPTAGE HOLDING TANKS

Author: Byrne (R-Byrneville)

Sponsor: Engleman (R-Georgetown)

Summary of Provisions

- Amends the definition of "onsite residential sewage discharging disposal system" to provide that the term includes a system that employs advanced treatment components to reduce the concentration of the pathogenic constituents of the effluent to an acceptable level before the effluent is discharged.
- Amends the law that prohibits the point source (i.e., above ground) discharge of treated sewage from a dwelling, which includes an exception to the prohibition for one particular county that has a onsite waste management district, to make the exception applicable to any onsite waste management district.
- Authorizes the adoption of rules or guidelines to provide guidance to a local health department that has jurisdiction in a county onsite waste management district and that is authorized to issue operating permits for onsite residential sewage discharging disposal systems that discharge effluent above ground.
- Provides that, if amending the National Pollutant Discharge Elimination System (NPDES) general permit issued by the department of environmental management (department) for the purposes of the county onsite waste management district law is necessary or advisable to enable new county onsite waste management districts to function properly and effectively, the department shall amend the general permit as soon as reasonably possible after June 30, 2023.
- Provides that septage that originates from a residential or commercial source may be held in one or more holding tanks of not more than 10,000 gallons until removed and transported from the site. Establishes requirements for septage holding tanks.
- Requires a permit from the local health department for the operation of a septage holding tank.
- Requires a septage tank owner to:
 - (1) enter into a written contract with a septage management vehicle operator for regular removal of septage from the tank;
 - (2) provide a copy of the contract to the local health department; and
 - (3) provide proof to the local health department that the tank owner is regularly paying for the removal of septage from the holding tank.
- Requires a local health department to report to the department concerning the septage tanks in its jurisdiction and authorizes the adoption of rules or guidelines concerning the reports.

SEA 473, P.L. 116 - LIMITS ON DISCHARGES INTO THE OHIO RIVER

Author: Becker (R-Evansville)

Sponsor: O'Brien (R-Evansville)

Summary of Provisions

- Provides that if a community water system that discharges wastewater into the Ohio River demonstrates to the satisfaction of the department of environmental management that the discharged wastewater does not increase the mass of mercury in the Ohio River by an amount greater than the mass of mercury in the water withdrawn from the Ohio River by the community water system:
 - (1) the community water system's discharge into the Ohio River shall not be considered to cause, have a reasonable potential to cause, or contribute to an excursion above any applicable water quality standard governing mercury in the Ohio River; and
 - (2) no water quality-based effluent limitations for mercury shall be required in a new or renewal NPDES permit issued to the community water system.



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2024
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HEA 1001, P.L. 202 - STATE BUDGET

Author: Thompson (R-Lizton)

Sponsor: Mishler (R-Mishawaka)

Aim Comments

A full summary of HEA 1001, P.L. 202 – State Budget, in Administrative Chapter of this Budget Bulletin. There are several line items in the budget specifically related to or positively impact healthcare and the overall health of our communities:

- Public Health - \$225M
 - The framework for the funding is included in SEA 4 (Public Health Commission)
- Community Mental Health - \$100M
 - Specifics on this allocation can be found in SEA 1 (Behavioral Health Matters)
- Regional Mental Health Facility Grants - \$10M
 - Grants to support a regional approach to mental health services for incarcerated individuals

In addition to specific line items, there are specific provisions in the budget that affect health care.

- Opioid Settlement Language
 - Distributions of less than \$5,000 from the local abatement opioid settlement account will be distributed to the county instead
 - The previous threshold was \$1,000

Summary of Provisions

- Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes.
- Establishes the attorney general contingency fee fund.
- Establishes the:
 - (1) state opioid settlement fund; and
 - (2) local opioid settlement fund; into which funds received from opioid litigation settlements must be deposited.
- Allows an individual to claim an increased exemption amount for a dependent child in the first year in which the exemption amount may be claimed for the child.
- Requires the department of correction to deposit the amount appropriated for the county misdemeanor fund by a county's multiplier. Requires the office of Medicaid policy and planning (office) to:
 - (1) develop a schedule for the review of Medicaid reimbursement rates; and
 - (2) provide a copy of the schedule to the budget committee; not later than November 1, 2023.
- Creates the residential water testing fund to test the water supply of an individual property owner of an eligible township.
- Requires the director of the state personnel department to submit a revision or adjustment to a pay plan developed for state employees to the state budget committee for review before the revision may take effect.
- Recouples the state earned income tax credit qualifications with the federal earned income tax credit qualifications under the Internal Revenue Code as in effect January 1, 2023.
- Establishes the commission on improving the status of children fund to support the staffing and operations of the commission.
- Deletes reimbursement rate parameters for reimbursement of managed care organizations under the healthy Indiana plan.
- Extends the sunset of the collection of hospital assessment fees and health facility quality assessment fees from June 30, 2023, to June 30, 2025.
- Establishes a state tax credit for a taxpayer that makes certain qualified child care expenditures in providing child care to the taxpayer's employees.
- Establishes the Medicaid oversight committee.
- Requires the Medicaid oversight committee to review, consider, and make recommendations concerning all requests for new services and changes in existing services for the Medicaid program.

- Requires the state comptroller to transfer \$85,000,000 from the tobacco master settlement agreement fund to the state construction fund on July 1, 2023.
- Urges the legislative council to assign to an appropriate interim study committee the task of studying specific issues pertaining to the feasibility of the department of child services contracting with private attorneys to perform legal services and provide representation in certain cases instead of employing staff attorneys within the department of child services for those purposes.

HEA 1006, P.L. 206 - MENTAL HEALTH PROGRAMS

Author: Steurwald (R-Avon)

Sponsor: Freeman (R-Indianapolis)

Aim Comments

HEA 1006 is an attempt by the General Assembly to help communities provide support for individuals experiencing a mental health episode. The legislation allows for people with mental health issues to be diverted to local treatment facilities for treatment instead of being sent to jail. It sets out rules and a timeline for how a person who has been arrested should be evaluated, treated, and potentially committed for mental illnesses.

The law allows physician assistants and advanced practice nurses to examine the person, but only a doctor can sign off on a petition to detain and commit the person.

HEA 1006 also establishes a local mental health referral program to provide necessary mental health treatment for individuals who have been arrested and was funded with a \$10M appropriation in the state's budget.

Summary of Provisions

- Specifies the circumstances under which a person may be involuntarily committed to a facility for mental health services and specifies that these services are medically necessary when provided in accordance with generally accepted clinical care guidelines.
- Establishes a local mental health referral program to provide mental health treatment for certain persons who have been arrested.
- Repeals obsolete provisions and makes technical corrections.

HEA 1341, P.L. 78 - PFAS-FREE FIREFIGHTER GEAR

Author: Olthoff (R-Crown Point)

Sponsor: Niemeyer (R-Lowell)

Summary of Provisions

- Provides that, after June 30, 2024, an Indiana fire department may not purchase firefighting gear unless it contains a permanently affixed label indicating whether or not the firefighting gear contains PFAS.

HEA 1583, P.L. 92 - HEALTH PLANS AND AMBULANCE SERVICE PROVIDERS

Author: Heaton (R-Terre Haute)

Sponsor: Ford, Jon (R-Terre Haute)

Summary of Provisions

- Amends the law requiring a health plan operator to fairly negotiate rates and terms with any ambulance service provider willing to become a participating provider with respect to the operator's health plan.
- Provides that, if negotiations between an ambulance service provider and a health plan operator that occur after June 30, 2022, do not result in the ambulance service provider becoming a participating provider with respect to the health plan, each party, beginning May 1, 2023, is required to provide to the department of insurance (department) a written notice:
 - (1) reporting the unsuccessful conclusion of the negotiations; and
 - (2) stating the points that were discussed in the negotiations but on which agreement was not reached.

- Requires the department, not later than May 1, 2024, to submit to the legislative council and the interim study committee on public health, behavioral health, and human services a report summarizing the written notices that the department has received from ambulance service providers and health plan operators.

SEA 1, P.L. 162 - BEHAVIORAL HEALTH MATTERS

Author: Crider (R-Greenfield)

Sponsor: Vermillion (R-Marion)

Aim Comments

SEA 1 strengthens Indiana's response to the ongoing mental health crisis in the State. It creates the framework for the establishment of critical community-based and community-in-place infrastructure for mental health care and access. SEA 1 allows for the state's community health centers to broaden the services they offer so they can qualify for federal funding and be able to provide crisis response teams when people call the 9-8-8 crisis response center. Providing support for individuals dealing with mental health issues is an important priority for the state and for cities and towns in Indiana.

Summary of Provisions

- Funded in the budget for \$50,000,000 in FY 2023 -2024 and an additional \$50,000,000 in FY 2024-2025.
- Tasks the Indiana Behavioral Health Commission with examining the mental health of Indiana's youth, adolescents, and individuals fifty-five and older, and the levels of mental health care available throughout the State.
- Provides FSSA with the option to participate in the expansion of community mental health services demonstration program.
- Provides that, subject to certain procedures and requirements, the office of the secretary of family and social services may apply to the United States Department of Health and Human Services:
 - (1) for a Medicaid state plan amendment, a waiver, or an amendment to an existing waiver to require reimbursement for eligible certified community behavioral health clinic services; or
 - (2) to participate in the expansion of a community mental health services demonstration program.
- Requires the division of mental health and addiction to establish and maintain a help line:
 - (1) to provide confidential emotional support and referrals to certain resources to individuals who call the help line; and
 - (2) that is accessible by calling a toll free telephone number.
- Establishes the Indiana behavioral health commission (commission) and sets forth the commission's membership.
- Changes the name of the "9-8-8 crisis hotline center" to "9-8-8 crisis response center".
- Makes conforming changes.

SEA 4, P.L. 164 - PUBLIC HEALTH COMMISSION

Author: Charbonneau (R-Valparaiso)

Sponsor: Barrett (R-Richmond)

Aim Comments

SEA 4 is the result of Governor Holcomb's Public Health Commission that was established in August 2021 and was charged with examining the strengths and weaknesses of Indiana's public health system. Madison Mayor Bob Courtney served as one of the 15 members on the commission. The commission spent nine months looking into Indiana's health outcomes and ways to better these results. The commission determined that Indiana was ranked 45th in the nation for public health funding.

The commission identified a significant underfunding of core public health services throughout the state. SEA 4 allows county boards of health to create a local public health fund to receive additional funding from the state.

SEA 4 also tasks the State Department of Health and local boards of health with identifying state and county metrics of health to measure the overall health of Indiana citizens. These health metrics and delivery of core public health services are to be reported to the budget committee and to be published online.

SEA 4 also gives cities and towns representation on county boards of health. Counties with a population over 200,000 will have two municipal representatives while counties with a population under 200,000 will have one municipal representative. Improving public health outcomes is an important priority for cities and towns across Indiana which is why Aim supported this legislation.

Summary of Provisions

- Defines “core public health services” for purposes of public health laws.
- Adds members to the executive board of the Indiana department of health (state department).
- Removes a provision allowing the state department to establish branch offices.
- Provides that the state department may provide services to local health departments.
- Requires each local board of health to establish a local public health services fund to receive state funding.
- Provides a method of allocation of state funding to local boards of health, subject to state appropriations.
- Specifies the percentage of how additional funding may be expended on core public health services.
- Allows the local health department to enter into contracts or approve grants for core public health services.
- Allows the state department to issue guidance to local health departments.
- Requires the state department to make annual local health department reports available to the public.
- Changes the qualification requirements for a local health officer and requires certain training.
- Requires the state department to identify state level metrics and county level metrics and requires certain local health departments to report to the state department activities and metrics on the delivery of core public health services.
- Requires the state department to annually report on the metrics to the budget committee and publish information concerning the metrics on the Internet.
- Requires that a local health department post a position or contract for the provision or administration of core public health services for at least 30 days.
- Requires a local health department to provide certain education before administering a vaccine.
- Requires a multiple county health department to maintain at least one physical office in each represented county.
- Provides that a new city health department cannot be created after December 31, 2022, but allows current city health departments to continue to operate. Creates the Indiana trauma care commission.
- Allows a school corporation that cannot obtain an ophthalmologist or optometrist to perform the modified clinical technique vision test to conduct certain specified vision screenings.
- Requires the school to send to the parent of a student any recommendation for further testing by the vision screener.
- Allows for standing orders to be used for emergency stock medication in schools.
- Allows the state health commissioner or designee to issue a statewide standing order, prescription, or protocol for emergency stock medication for schools.
- Removes the distance requirement for an access practice dentist to provide communication with a dental hygienist.
- Repeals provisions concerning the Indiana local health department trust account.

SEA 350, P.L. 111 - PROFESSIONAL LICENSING

Author: Raatz (R-Richmond)

Sponsor: Prescott (R-Union City)

Summary of Provisions

- Provides that a unit may not regulate behavioral health and human services that are:
 - (1) licensed or certified; or
 - (2) exempted from licensure or certification; by the behavioral health and human services licensing board.

SEA 374, P.L. 8 - REGIONAL WATER, SEWAGE, OR SOLID WASTE DISTRICTS

Author: Koch (R-Bedford)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Increases the maximum amount that may be paid to a member of the board of trustees of a regional water, sewage, or solid waste district from \$50 to \$150 per day.
- Removes a provision that allows for the payment of not more than \$125 per day to members of the board of trustees of a regional water and sewage district that meets certain requirements.



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Infrastructure and Transportation

2024
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HEA 1001, P.L. 202 - STATE BUDGET

Author: Thompson (R-Lizton)

Sponsor: Mishler (R-Mishawaka)

Aim Comments

A full summary of HEA 1001, P.L. 202 – State Budget, in Administrative Chapter of this Budget Bulletin. There are several line items in the budget that affect local infrastructure and transportation.

- READI 2.0 - \$500M
- Residential Housing Infrastructure Assistance Program - \$75M
 - The program's framework and certain requirements are included in HEA 1005 (Housing)
- Next Level Trails - \$30M

In addition to specific line items, there are several other provisions in the budget that affect local infrastructure and transportation.

- READI 2.0
 - Language that was included in the Senate-passed version of the budget giving preference to RDAs was removed; however, language was added that requires the grants or loans awarded from the READI fund be used for capital projects or infrastructure improvements
 - Language in HEA 1454 (Department of Local Government Finance) adds additional eligible expenditures, including costs associated with housing and associated infrastructure, support for community mental health and public health and broadband in specific situations
 - HEA 1001 prohibits broadband projects from being funded by READI 2.0 if they are not in compliance with the requirements of Next Level Connections
 - HEA 1454 also prohibits broadband projects from being funded by READI if other funding sources for broadband have not been exhausted and if the projects don't meet the Next Level Connections criteria
- Fuel Tax Indexing
 - Fuel tax indexing is extended through 2027
 - This is an important source of revenue for local units of government
- FIRSST Task Force
 - The budget reestablishes the Funding Indiana's Roads for a Stronger, Safer Tomorrow Task Force which was the Task Force responsible for the 2017 road funding package
 - Charges of the task force include verifying road and bridge needs at the local level, developing a long-term plan for local road and bridge needs, reviewing long term impact of electric and hybrid vehicles, evaluating the current system of taxes, fees, and registration fees.
- Billboards
 - Language was added to the budget that clarified that if a county or municipality did not approve the relocation of a billboard within the market area, the local unit is responsible for the payment of full and just compensation for the outdoor advertising sign under IC 8-23-20-27

Summary of Provisions

- Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes.
- Provides that the regional economic acceleration and development initiative program expires June 30, 2026.
- Specifies that the county or municipality that did not approve the relocation of an outdoor advertising sign is responsible for compensation of the taking of the outdoor advertising sign.
- Provides that an owner may relocate an outdoor advertising sign that is subject to a pending eminent domain action.
- Repeals the public mass transportation fund.
- Creates the residential water testing fund to test the water supply of an individual property owner of an eligible township.
- Requires a contractor that provides tangible personal property incorporated into real property in a project located in an innovation development district to maintain records of all state gross retail and

use tax paid or collected during a state fiscal year.

- Extends provisions for the gasoline tax and the special fuel tax rates.
- Provides that the legislative body of a first class city may adopt an ordinance to establish a special assessment district known as an economic enhancement district.
- Provides certain requirements for the ordinance and imposition of a special assessment.
- Requires the legislative body of the first class city that establishes an economic enhancement district to establish an economic enhancement district board.
- Extends the judicial and legislative branch leave conversion pilot program through June 30, 2025.
- Establishes the northeast Indiana strategic development fund administered by the northeast Indiana strategic development commission.
- Establishes the regional economic acceleration and development initiative 2.0 fund (READI 2.0).
- Requires the IEDC to develop a policy for a READI 2.0 program. Provides that money in the READI 2.0 fund may be used to:
 - (1) support the IEDC's READI 2.0 program; and
 - (2) provide grants or loans to support proposals for economic development and regional economic acceleration and development.
- Establishes the funding Indiana's roads for a stronger, safer tomorrow task force.

HEA 1015, P.L. 120 - WORKSITE SPEED CONTROL PILOT PROGRAM

Author: Pressel (R-Rolling Prairie)

Sponsor: Ford, Jon (R-Fort Wayne)

Summary of Provisions

- Requires the Indiana department of transportation (department) to establish the worksite speed control pilot program (pilot program) for the purpose of enforcing worksite speed limits.
- Requires that the department:
 - (1) work with the state police department to administer the pilot program; and
 - (2) enter into an agreement with the state police department to share information regarding the pilot program.
- Permits the department to contract with a third party vendor to assist in implementing the pilot program.
- Provides that an individual who is recorded by a worksite speed control system may not be assessed a civil penalty unless the violation is at least 11 miles per hour above the established worksite speed limit.
- Replaces the term "work zone" with "worksite" throughout the relevant statutes.

HEA 1046, P.L. 210 - TRANSPORTATION MATTERS

Author: Morrison (R-Brazil)

Sponsor: Deery (R-West Lafayette)

Summary of Provisions

- Provides that a transit development district may be established in a municipality that is located in a county that is a member of the development authority and has operated regularly scheduled commuter bus services to Chicago, Illinois, with prior financial assistance from the development authority, and shuttle bus services that transport riders to a train station or a regular train stop along the Chicago to South Bend line.
- Provides for a public transportation corporation located in a county having a population of more than 185,000 and less than 200,000 to expand service beyond the boundary of the county to an adjacent county if the counties have entered into an interlocal cooperation agreement to expand service.

HEA 1049, P.L. 60 - TRANSPORTATION MATTERS

Author: Pressel (R-Rolling Prairie)

Sponsor: Crider (R-Greenfield)

Summary of Provisions

- Provides that the department of transportation (department) may accept a proposal and award a contract for the construction, improvement, or maintenance of a road if the lowest responsive and qualified bid is less than \$3,000,000. (Current law says if the lowest responsive and qualified bid is less than \$1,000,000.)
- Provides that the department may accept a proposal and award a contract for the construction, improvement, or maintenance of a road if the lowest responsive and qualified bid is one of three or more bids received by the department for the contract. (Current law says if the lowest responsive and qualified bid is one of four or more bids received by the department for the contract.)
- Authorizes the department to use construction manager general contractor and progressive design-build delivery methods for certain projects. Defines a "bicycle traffic control signal".
- Provides that a person may cautiously enter an intersection and make a left turn if turning from the left lane or a designated left-turn lane of a one-way street into another one-way street with the flow of traffic.
- Provides for the requirements and explanations of colors for bicycle traffic control signals exhibiting colored lights.
- Urges the legislative council to assign certain topics to an existing study committee.
- Makes conforming and technical changes.

HEA 1050, P.L. 211 - VARIOUS MOTOR VEHICLE MATTERS

Author: Pressel (R-Rolling Prairie)

Sponsor: Crider (R-Greenfield)

Summary of Provisions

- Adds an exception to the disposition of surplus personal property by a governmental body.
- Expands the definition of "alternative fuel" to include hydrogen, hythane, electricity, or any other fuel used to propel a motor vehicle on a highway that is not subject to certain taxes.
- Provides for the taxation of motor carriers using alternative fuels other than butane or propane.
- Provides that a carrier subject to certain imposed motor vehicle taxes is exempt from submitting to the department of state revenue (department) quarterly reports of the operations of commercial motor vehicles giving rise to the carrier's tax liability as the department may require under certain circumstances.
- Provides that a carrier that is exempt from the quarterly reporting requirements:
 - (1) must continue to file a quarterly return to obtain a promotional use credit;
 - (2) is required to keep books and records; and
 - (3) is exempt from certain requirements regarding an annual permit, a cab card, and an emblem.
- Provides that a person who is living in Indiana and has been granted parole is included in the definition of "Indiana resident". Defines "lawful status".
- Repeals the term "credential".
- Defines "physical credential".
- Provides that the bureau of motor vehicles (bureau) may issue a driver's license, permit, or identification card to certain individuals granted parole in the United States under 8 U.S.C. 1182(d)(5).
- Provides that the bureau may issue rules, including emergency rules, to provide a driver's license, permit, or identification card to certain individuals granted parole, as well as registrations and certificates of title for motor vehicles of certain individuals granted parole.
- Provides for when a credential issued by the bureau must be in the form of a physical credential or a mobile credential.
- Provides for the form of the mobile credential.

- Provides that, beginning July 1, 2023, and each year thereafter, the bureau is required to provide the executive director of the legislative services agency the name of a special group for whom:
 - (1) 10 years have elapsed since the special group was admitted into the special group recognition license plate program; or
 - (2) 10 years have elapsed since the previous review of the special group by the interim study committee on roads and transportation.
- Provides that if a special group was subject to a decennial review before July 1, 2023, then the next review occurs in the year which is a multiple of 10 years after the year of the special group's admittance to the special group recognition license plate program.
- Prohibits a consolidated city from installing a sign prohibiting a turn at a steady red signal.
- Specifies the calculation for the amount of the supplemental fee for hybrid and electric vehicles.
- Requires a person who drives a vehicle approaching a disabled stationary vehicle with flashing hazard warning signals to do either of the following, while proceeding with due caution:
 - (1) Yield the right-of-way by making a lane change into a lane not adjacent to that of the disabled stationary vehicle, if possible with due regard to safety and traffic conditions, if on a highway having at least four lanes with not less than two lanes proceeding in the same direction as the approaching vehicle.
 - (2) Reduce the speed of the vehicle to a speed at least 10 miles per hour less than the posted speed limit, maintaining a safe speed for road conditions, if changing lanes would be impossible or unsafe.
- Provides that a person who does not yield the right-of-way or reduce the speed of the person's vehicle commits a Class B infraction.
- Provides that the term "driver training school" does not include a business enterprise that educates or trains a person or prepares a person to operate a commercial motor vehicle.
- Allows a driver training school to administer a driving skills test to an individual who holds a valid learner's permit.
- Provides that certain entities are immune from civil liability for an act or omission occurring during a motorcycle operator safety course that results in an injury or property damage.
- Provides that administrative procedures of the bureau do not apply to a hearing requested by a nonresident regarding the suspension of the driving privileges of the nonresident for failure to meet the terms of a citation.
- Provides that a document preparation fee that is less than \$200 is permitted and does not constitute an unfair practice.
- Provides civil immunity for a dealer in an action regarding the resale of a buyback vehicle if the dealer had a reasonable good faith belief the vehicle was not a buyback vehicle.
- Provides for the process for suspending the Indiana driving privileges of a minor who is an Indiana resident for failing to appear or answer a traffic summons.
- Makes conforming changes.

HEA 1204, P.L. 130 - ENFORCEMENT OF WEIGHT LIMITS FOR OVERWEIGHT LOADS

Author: Karickhoff (R-Kokomo)

Sponsor: Messmer (R-Jasper)

Summary of Provisions

- Defines "aggregate".
- Provides that a penalty for transporting a load in excess of the registered limit of the load for the transporting vehicle does not apply to a vehicle or combination of vehicles that transports aggregate if the weight of the vehicle with load does not exceed the gross weight limit and the axle weight limit by more than 10%.
- Provides for when the department of state revenue (department) may assess a civil penalty for a vehicle or load that is in excess of the legal weight or dimensional limits.
- Provides for the penalties the department may charge for a violation.
- Urges the legislative council to assign to the appropriate interim study committee the task of studying civil penalty assessments and the enforcement of overweight loads as it pertains to the impact on state infrastructure.

HEA 1316, P.L. 224 - IFA APPROVAL AND REVOLVING LOAN PROGRAMS

Author: Miller (R-Elkhart)

Sponsor: Charbonneau (R-Valparaiso)

Summary of Provisions

- Provides that a participant may issue and sell bonds to the Indiana finance authority (authority) without the requirement of an increase to the user rates and charges of the participant.
- Provides that the bonds must be issued under a resolution or ordinance and the proceeds must be used to carry out the purposes allowed by the program.
- Defines the term “independent evaluator” for purposes of non-revenue water audits.
- Requires a water utility to annually perform an audit of its water distribution system through the use of the latest version of the American Water Works Association’s free water audit software or other methodology software to determine the causes of the water utility’s non-revenue water.
- Provides that the issuance, by the ports of Indiana, of both taxable and tax exempt revenue bonds of the state, payable solely from revenues for the purpose of paying all or any part of the cost of a port or project, is subject to the prior approval of the authority.
- Provides for the appointment of a nine member board of directors of the Indiana Secondary Market for Education Loans, Inc. (ISMEL).
- Provides that ISMEL may only borrow money after consulting with the authority not less than three months before ISMEL begins the process of borrowing money.
- Requires ISMEL to, at least 30 days prior to the issuance or placement of any bond, note, or other instrument, report to the budget committee the estimated amount of the bonds.

HEA 1418, P.L. 82 - ANNEXATION OF RESIDENTIAL DEVELOPMENTS

Author: Soliday (R-Valparaiso)

Sponsor: Charbonneau (R-Valparaiso)

Summary of Provisions

- Permits a third class city to annex an area that is a proposed residential development in which not all lots have been platted or dwellings have been constructed.
- Expands the area outside the city in which the annexation can occur from three miles to 4.5 miles.

HEA 1575, P.L. 155 - FIRE PREVENTION AND BUILDING SAFETY COMMISSION

Author: O’Brien (R-Evansville)

Sponsor: Rogers (R-Granger)

Aim Comments

HEA 1575 makes several changes to the Indiana Department of Homeland Security’s Fire Prevention and Building Safety Commission which is responsible for adopting statewide building codes. It changes the makeup of the board and limits the number of building codes that can be reviewed annually to three. It also makes changes to the process for a local unit to adopt more stringent standards than the statewide building code.

A local unit of government may not adopt an ordinance concerning construction and remodeling that conflicts with the statute or a building code adopted by the commission or adopt an ordinance that includes more stringent or detailed requirements than those set forth in the statute or a building code adopted by the commission.

The bill clarifies that this prohibition does not apply to a unit’s architectural design standards or its zoning ordinances. If a local unit wants to adopt a stricter standard, they must submit a proposal to amend the statewide building code at a designated meeting. Ultimately, if a municipality wants to adopt more stringent standards, they will need to make their case to the commission at the required annual meeting that is set aside for this purpose.

Summary of Provisions

- Increases the size of the fire prevention and building safety commission (commission) from 11 members to 12 members.
- Requires commission members to represent certain defined interests or professions, beginning August 1, 2023.
- Requires a commission member to be a resident of Indiana, beginning August 1, 2023.
- Provides that a commission member serves at the pleasure of the governor.
- Increases the number of members required for a quorum from six members to seven members.
- Provides that the affirmative vote of not less than two-thirds of the commission members present and voting is necessary for purposes of adopting a rule.
- Provides certain procedures for the review and adoption of building codes.
- Provides that a local unit of government may not adopt an ordinance concerning construction and remodeling that:
 - (1) conflicts with the statute or a building code adopted by the commission; or
 - (2) includes more stringent or detailed requirements than those set forth in the statute or a building code adopted by the commission.
- Provides that this prohibition does not apply to a unit's architectural design standards or its zoning ordinances.

SEA 283, P.L. 179 - MARION COUNTY ROAD FUNDING

Author: Freeman (R-Indianapolis)

Sponsor: Behning (R-Indianapolis)

Summary of Provisions

- Provides that at least 65% of the funds distributed to a county containing a consolidated city from the motor vehicle highway account (MVHA) shall be used for the construction, reconstruction, and preservation of highways by the county and the consolidated city respectively. (Current law provides that at least 50% of the funds distributed to a county or a municipality from the MVHA is to be used for the construction, reconstruction, and preservation of the county or municipality's highways.)
- Provides that, for purposes of determining the right of the consolidated city to receive a distribution of money from the MVHA based on population, the population of all the territory of the consolidated city is considered its population.
- Provides that, beginning in calendar year 2024, the consolidated city must use:
 - (1) the entire amount distributed to the consolidated city from the MVHA that is attributable to the consolidated city's population in Wayne, Pike, and Decatur townships not included in the population of the fire special service district; and
 - (2) an appropriation that is the greater of \$8,000,000 or the amount of the distribution from the MVHA that is attributable to the consolidated city's population in Wayne, Pike, and Decatur townships not included in the population of the fire special service district in the previous year; for the construction, reconstruction, and preservation of the consolidated city's local streets and alleys.
- Requires the Indiana department of transportation (department) to:
 - (1) conduct a study, with advisement from the consolidated city, to determine the asset condition of the consolidated city's former state highways;
 - (2) appear before the interim study committee on roads and transportation during the 2023 legislative interim to provide testimony on the department's findings and observations from the study; and
 - (3) not later than November 1, 2023, report the department's findings and observations to the interim study committee on roads and transportation.

SEA 317, P.L. 181 - CONTRACTING AND PURCHASING

Author: Zay (R-Huntington)

Sponsor: May (R-Bedford)

Aim Comments

SEA 317 is one of Aim's legislative initiatives. Prior to the passage of SEA 317, local units of government could not make deposits for large purchases or prepay vendors for supplies or events even if the vendor requiring the deposit was cheaper. SEA 317 now expands the ability for political subdivisions to may make advance payments for goods or services before the goods are delivered or services are completed if the fiscal body of the political subdivision authorizes advance payments. A political subdivision may also make advance payments to contractors to enable the contractors to purchase materials needed for a public works project of the political subdivision.

Aim worked with the State Board of Accounts on some of the guardrails that were included.. Prepayments or deposits cannot exceed \$2M or 50% of the total cost of the project. In addition, if the fiscal body of the political subdivision authorizes making advance payments, the local fiscal officer or the local fiscal officer's designee must do the following when advance payments are made:

- (A) Track prepayments by defining the prepayment on a purchase order
- (B) Create a prepayment invoice that is associated with the purchase order
- (C) Require insurance or a surety bond in the amount of the prepayment if the amount of the prepayment is more than \$150,000

Summary of Provisions

- Provides that a political subdivision may make advance payments to contractors to enable the contractors to purchase materials needed for a public works project of the political subdivision.
- Provides that a political subdivision may make advance payments for goods or services before the goods are delivered or services are completed if the fiscal body of the political subdivision authorizes advance payments.

SEA 390, P.L. 50 - COMMERCIAL SOLAR AND WIND ENERGY READY COMMUNITIES

Author: Messmer (R-Jasper)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Provides that the commercial solar and wind energy ready communities development center (center) may be established within the Indiana office of energy development (office).
- Provides that the center, if established, shall:
 - (1) provide comprehensive, easily accessible information concerning permits required for commercial solar projects and wind power projects; and
 - (2) work with permit authorities concerning those projects.
- Requires the center to create and administer a program to certify counties and municipalities as commercial solar energy ready communities and wind energy ready communities.
- Requires the office to certify a county or municipality as a commercial solar energy ready community or a wind energy ready community if the county or municipality meets certain requirements, including the adoption of a commercial solar regulation or wind power regulation that includes standards that are not more restrictive than the default standards established by Indiana law.
- Provides that a commercial solar and wind energy ready communities incentive fund (fund) may be established by the office.
- Provides that if:
 - (1) a county or municipality receives certification as a commercial solar energy ready community or a wind energy ready community;
 - (2) a project owner constructs a commercial solar project or wind power project in the county or municipality;

- (3) the fund is established; and
- (4) there is a sufficient balance in the fund; the office may authorize the county or municipality to receive from the fund, for a period of 10 years, \$1 per megawatt hour of electricity generated by the commercial solar project or wind power project.

SEA 472, P.L. 54 - ADVANCED RECYCLING

Author: Messmer (R-Jasper)

Sponsor: Morrison (R-Brazil)

Summary of Provisions

- Defines “advanced recycling” as a manufacturing process for the conversion of post-use polymers and recovered feedstocks into basic raw materials, feedstocks, chemicals, and other products.
- Defines “advanced recycling facility” as a manufacturing facility that:
 - (1) receives, stores, and converts post-use polymers and recovered feedstocks resulting from advanced recycling; and
 - (2) is subject to manufacturing regulation by the department of environmental management.
- Provides:
 - (1) that post-use polymers and recovered feedstocks that are converted at an advanced recycling facility or held at an advanced recycling facility before conversion are not within the definition of “solid waste”;
 - (2) that an advanced recycling facility is not within the definition of “solid waste disposal facility”;
 - (3) that the activities undertaken at an advanced recycling facility are not within the definition of “solid waste management”; and
 - (4) that an advanced recycling facility is not within the definition of “solid waste disposal facility” or the definition of “solid waste processing facility”.
- Provides that certain solid waste management laws do not apply to advanced recycling facilities.
- Provides, for purposes of Indiana environmental law, that products sold as fuel are not considered recycled products.



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2024
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REPORT

HEA 1001, P.L. 202 - STATE BUDGET

Author: Thompson (R-Lizton)

Sponsor: Mishler (R-Mishawaka)

Aim Comments

A full summary of HEA 1001, P.L. 202 – State Budget, in Administrative Chapter of this Budget Bulletin. There are several provisions in the budget specifically related to There are several line items in the budget that positively impact municipalities, including funding for municipal finance.

- READI 2.0 - \$500M
- Residential Housing Infrastructure Assistance Program - \$75M
 - o The program's framework and certain requirements are included in HEA 1005 (Housing)
- Public Health - \$225M
 - o The framework for the funding is included in SEA 4 (Public Health Commission)
- Next Level Trails - \$30M
- Local Law Enforcement Training - \$10M
 - o For the purpose of providing distributions to city, town, and county law enforcement agencies to conduct law enforcement training, including the purchase of supplies and training materials
 - o A distribution to a law enforcement agency in a fiscal year may not exceed the amount that the law enforcement agency received from fees collected pursuant to IC 35-47-2-3 in calendar year 2020
- Community Mental Health - \$100M
 - o Specifics on this allocation can be found in SEA 1 (Behavioral Health Matters)
- Regional Mental Health Facility Grants - \$10M
 - o Grants to support a regional approach to mental health services for incarcerated individuals

In addition to specific line items, there are several other provisions in the budget that impact municipal finance.

- READI 2.0
 - o Language that was included in the Senate-passed version of the budget giving preference to RDAs was removed; however, language was added that requires the grants or loans awarded from the READI fund be used for capital projects or infrastructure improvements
 - Language in HEA 1454 (Department of Local Government Finance) adds additional eligible expenditures, including costs associated with housing and associated infrastructure, support for community mental health and public health and broadband in specific situations
 - o HEA 1001 prohibits broadband projects from being funded by READI 2.0 if they are not in compliance with the requirements of Next Level Connections
 - o HEA 1454 also prohibits broadband projects from being funded by READI if other funding sources for broadband have not been exhausted and if the projects don't meet the Next Level Connections criteria
- Opioid Settlement Language
 - o Distributions of less than \$5,000 from the local abatement opioid settlement account will be distributed to the county instead
 - The previous threshold was \$1,000
- SBOA Audit Fee Increase
 - o SBOA can now charge 50% of the actual direct and indirect cost of performing an audit examination but the total amount cannot exceed \$400 per day
 - The previous amount was \$175 per day
 - o The audit committee will annually review the amounts charged to ensure that the cost of performing an audit does not exceed an amount equal to eighty percent (80%) of the market rate cost
- Fuel Tax Indexing
 - o Fuel tax indexing is extended through 2027
 - o This is an important source of revenue for local units of government
- FIRSST Task Force
 - o The budget reestablishes the Funding Indiana's Roads for a Stronger, Safer Tomorrow Task Force which was the Task Force responsible for the 2017 road funding package

- o Charges of the task force include verifying road and bridge needs at the local level, developing a long-term plan for local road and bridge needs, reviewing long term impact of electric and hybrid vehicles, evaluating the current system of taxes, fees, and registration fees.

Summary of Provisions

- Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes.
- Provides that the auditor of state is also known as the state comptroller.
- Provides that, after June 30, 2023, the auditor of state shall use the title “state comptroller” in conducting state business, in all contracts, on business cards, on stationery, and with other means of communication as necessary.
- Establishes the attorney general contingency fee fund.
- Establishes the:
 - (1) state opioid settlement fund; and
 - (2) local opioid settlement fund; into which funds received from opioid litigation settlements must be deposited.
- Repeals a provision that makes a state general fund appropriation to the board of trustees of the Indiana public retirement system if the money available in the special death benefits fund is insufficient to pay death benefit claims.
- Allows the Indiana economic development corporation (IEDC) to certify an applicable tax credit that exceeds the maximum allowable amount after review by the budget committee.
- Provides that the regional economic acceleration and development initiative program expires June 30, 2026.
- Specifies that the county or municipality that did not approve the relocation of an outdoor advertising sign is responsible for compensation of the taking of the outdoor advertising sign.
- Provides that an owner may relocate an outdoor advertising sign that is subject to a pending eminent domain action.
- Allows an individual to claim an increased exemption amount for a dependent child in the first year in which the exemption amount may be claimed for the child.
- Reduces the individual income tax rate to 2.9% by 2027 and eliminates all trigger provisions in current law.
- Establishes the regional public safety training fund.
- Repeals provisions relating to the establishment of the:
 - (1) Indiana homeland security foundation;
 - (2) Indiana homeland security fund; and
 - (3) fire training infrastructure fund.
- Allows certain members of the public employees’ retirement fund or Indiana state teachers’ retirement fund to file an election to begin receiving retirement benefits while holding a position.
- Changes the state police pre-1987 benefit and supplemental pension benefit calculation from being based on the sixth year of service to the fourth year of service. Repeals the public mass transportation fund.
- Repeals the financial responsibility compliance verification fund.
- Changes the number of years of service on which the salary matrix for state police employees is based to 15 years (instead of 20 years).
- Requires the department of correction to deposit the amount appropriated for the county misdemeanor fund by a county’s multiplier.
- Recouples the state earned income tax credit qualifications with the federal earned income tax credit qualifications under the Internal Revenue Code as in effect January 1, 2023.
- Requires a contractor that provides tangible personal property incorporated into real property in a project located in an innovation development district to maintain records of all state gross retail and use tax paid or collected during a state fiscal year.
- Adds state adjusted gross income taxes paid by an individual who is not an employee with respect to income received for services performed in an innovation development district for purposes of calculating income tax incremental amounts.

- Requires the department of local government finance to prepare an annual report and abstract concerning property tax data (instead of the auditor of state).
- Establishes a state tax credit for a taxpayer that makes certain qualified child care expenditures in providing child care to the taxpayer's employees.
- Extends provisions for the gasoline tax and the special fuel tax rates.
- Requires a county auditor to distribute a portion of revenue received from an operations fund levy imposed by a school corporation located in certain counties to certain charter schools (excludes school corporations that are designated as a distressed political subdivision).
- Requires grants for the programs to be administered by the Indiana criminal justice institute in consultation with the juvenile justice oversight committee (oversight committee) and the grant process workgroup created by the oversight committee, taking into consideration the grant program report prepared and submitted to the commission on improving the status of children in Indiana by the oversight committee.
- Requires the state comptroller to deposit distributions of pro bono legal services fees received from the:
 - (1) clerk of a circuit court;
 - (2) clerk of a city or town court; or
 - (3) Marion County small claims court; in the pro bono legal services fund.
- Provides that the legislative body of a first class city may adopt an ordinance to establish a special assessment district known as an economic enhancement district.
- Provides certain requirements for the ordinance and imposition of a special assessment.
- Requires the legislative body of the first class city that establishes an economic enhancement district to establish an economic enhancement district board.
- Establishes the northeast Indiana strategic development fund administered by the northeast Indiana strategic development commission.
- Provides that if the amount of excess combined reserves in 2024 or 2025 exceeds \$3,000,000,000, the amount that exceeds \$3,000,000,000 is transferred to the pre-1996 account.
- Establishes the regional economic acceleration and development initiative 2.0 fund (READI 2.0).
- Requires the IEDC to develop a policy for a READI 2.0 program. Provides that money in the READI 2.0 fund may be used to:
 - (1) support the IEDC's READI 2.0 program; and
 - (2) provide grants or loans to support proposals for economic development and regional economic acceleration and development.
- Establishes the attainable homeownership tax credit for a taxpayer who makes a contribution to an affordable housing organization.
- Provides that unexpended and unencumbered amounts appropriated from the federal economic stimulus fund in the state fiscal year ending before July 1, 2023, do not revert to the state general fund.
- Provides that unexpended and unencumbered amounts appropriated to the legislative services agency in a state fiscal year ending before July 1, 2024, do not revert to the state general fund.
- Requires the state comptroller to transfer \$85,000,000 from the tobacco master settlement agreement fund to the state construction fund on July 1, 2023.
- Appropriates money for various purposes for the state fiscal year ending June 30, 2023.
- Requires the Indiana public retirement system to study and report and present on certain topics to the interim study committee on pension management oversight before November 1, 2023.
- Establishes the funding Indiana's roads for a stronger, safer tomorrow task force.

HEA 1005, P.L. 205 - HOUSING

Author: Miller (R-Elkhart)

Sponsor: Rogers (R-Granger)

Aim Comments

The Indiana General Assembly took a comprehensive look at the barriers and opportunities for housing growth in the state by convening a Housing Task Force last summer, on which Aim served and testified. The task force concluded with several recommendations for action by the General Assembly this session. HEA 1005 is a House

Republican agenda bill that came from the task force and was supported by Aim. It includes a framework for a revolving loan fund (not a grant program) to be run by the Indiana Finance Authority to support infrastructure for housing projects and includes an Aim legislative initiative related to Residential TIF.

Specific to the revolving loan fund, 70% of the money in the fund must be used for housing infrastructure in municipalities with a population of less than 50,000. 30% of the money in the fund must be used for housing infrastructure in larger subdivisions. The IFA must establish a priority ranking system that prioritizes projects in communities that voluntarily waive certain standards and fees for the specific project. In addition, the IFA will prioritize projects for communities who have invested in a housing study. It is funded in the budget at \$75M.

HEA 1005 also includes language that Aim strongly supported to allow more communities to access the Residential TIF tool. Language in the bill removes the requirement that school boards approve a municipality's ability to use Residential TIF and removes the 1% test threshold. Under current law, a municipality could only use Residential TIF if they had less than 1% growth in their housing stock over three years.

The Indiana General Assembly did include additional guardrails related to Residential TIF in HEA 1005 and HEA 1454. HEA 1005 limits a residential housing development program to 20 years instead of the 25 years in current statute. HEA 1454 sunsets the changes in HB 1005 with respect to Housing TIF for 4 years after which point the Residential TIF statute revert to having the 1% threshold and school board approval. HEA 1454 also requires the RDC to report the number of houses completed under the Residential TIF program and the average price of the house sold in the allocation area.

Summary of Provisions

- Establishes the residential housing infrastructure assistance program (program) and residential housing infrastructure assistance revolving fund (fund).
- Provides that the Indiana finance authority (authority) shall administer the fund and program.
- Provides that political subdivisions may apply to the fund for loans for certain infrastructure projects related to the development of residential housing.
- Provides that money in the fund may not be used for:
 - (1) debt repayment;
 - (2) maintenance and repair projects;
 - (3) upgrading utility poles; or
 - (4) consulting or engineering fees for studies, reports, designs, or analyses.
- Provides that loans from the fund must be allocated as follows:
 - (1) 70% of the money in the fund must be used for housing infrastructure in municipalities with a population of less than 50,000.
 - (2) 30% of the money in the fund must be used for housing infrastructure in all other political subdivisions.
- Requires the authority to establish a project prioritization system for the purpose of awarding loans from the fund, and specifies the criteria that must be included in the project prioritization system.
- Allows the authority to establish a leveraged loan program to or for the benefit of program participants.
- Requires the public finance director to prepare an annual report of the fund's activities for the legislative council and the budget committee.
- Provides that the fiscal body of a county may adopt an ordinance to designate an economic development target area.
- Removes the threshold conditions for establishing a residential housing development program and a tax increment allocation area for the program, including the condition that the governing body of each school corporation affected by the program pass a resolution approving the program before the program may go into effect.
- Changes the duration of a residential housing development program from 25 years (under current law) to 20 years after the date on which the first obligation for program is incurred.
- Makes a continuing appropriation.

HEA 1016, P.L. 207 - POLICE AND FIRE MERIT SYSTEMS

Author: Pressel (R-Rolling Prairie)

Sponsor: Sandlin (R-Indianapolis)

Aim Comments

HEA 1016 automatically opts-in certain communities who do not currently have a merit system for police or fire into having one if they meet certain population and employment parameters. Aim opposed this language. While Aim did not take a position on whether a merit system is the best option for communities, Aim opposed changing how the decision to have a merit system is decided. Under current law, the municipality's legislative body – a city or town council – passes an ordinance to establish a merit system to make important decisions related to hiring, promotions, demotions and disciplinary action or firing.

However, the final version of HEA 1016 automatically opts-in those communities who do not currently have a merit system into having one if they serve a population over 20,000 and have at least 12 full-time police or fire employees. In addition to the automatic opt-in, there is an added hurdle to opt-out. In order to opt-out within the first four years, BOTH the legislative body AND the majority of the full-time public safety officers would have to opt out. This essentially flips the process on its head. Even if a legislative body wanted to keep their current system in place, they couldn't if the public safety group decides not to opt out for the first four years.

Summary of Provisions

- Allows a fire protection district or fire protection territory to establish a merit system.
- Provides that unless a resolution or ordinance to establish a merit system is rejected not later than December 31, 2024, a merit system is established on January 1, 2025, for eligible:
 - (1) city and town police and fire departments and township fire departments; and
 - (2) fire protection districts and fire protection territories.
- Provides that the merit system may be dissolved after January 1, 2025.
- Requires a unit, district, or territory to vote to either retain or dissolve the merit system after January 1, 2029, and before January 31, 2029.
- Repeals a provision containing definitions and moves the definitions to another location.

HEA 1040, P.L. 58 - REQUIREMENTS FOR ELECTED OFFICIALS

Author: Lehman (R-Berne)

Sponsor: Bassler (R-Washington)

Aim Comments

HEA 1040 was a priority bill for the Indiana State Board of Accounts (SBOA). It contains multiple provisions impacting municipal officials, including new training requirements for controllers and clerk-treasurers, recourse for SBOA to deal with "unauditable" communities and another option to fill a vacancy for the office of Clerk-Treasurer.

Aim looks forward to partnering with the SBOA on the new training requirements for current and newly elected or appointed municipal fiscal officials. Municipal fiscal officials are required to attend an approved, annual training a minimum of once every two years. The SBOA must annually call a conference for city and town controllers and clerk-treasurers to receive training. SBOA will keep attendance of the officials who attend the training and publish it on their website. In addition, an individual first elected or appointed to an office shall complete five hours of approved training courses before the individual first takes office.

Another provision in the bill deals with "unauditable communities." If an audit cannot be performed due to poor record-keeping, an entity can be deemed unauditable by the SBOA. The community is given 90 days to become auditable. If they remain unauditable, the SBOA will include them on a published list of entities declared unauditable. In addition, if the controller, clerk or clerk-treasurer is unable to meet the 90-day requirement, the municipality shall hire or contract with a qualified CPA to receive guidance.

Finally, if a city or town is unable to fill a vacancy for clerk-treasurer using the existing statute, the municipality may hire any qualified person to perform the duties until the vacancy can be filled under current statute or until the end of the current term, whichever is first.

Summary of Provisions

- Provides that if an examination of an audited entity is unable to be performed because the audited entity's accounts, records, files, or reports are not properly maintained or reconciled, the entity may be declared unauditale.
- Requires an unauditale entity to bring its accounts, records, files, or reports into an auditale condition within 90 days.
- Requires the state board of accounts (SBOA) to publish a list of entities declared to be unauditale on the SBOA's website.
- Provides that if an entity is declared unauditale and the fiscal officer is unable to perform the fiscal requirements of their position, the entity is required to hire outside assistance for guidance or to perform the fiscal requirements.
- Clarifies an exception regarding the liability of an elected official for acts that constitute gross negligence or intentional disregard of the official's duties.
- Requires the SBOA to annually call a conference for:
 - (1) city and town controllers and clerk-treasurers, newly appointed city and town controllers, and city and town clerk-treasurers elect; and
 - (2) township trustees and township trustees elect.
- Provides that elected officials must attend training every two years and that the SBOA shall keep attendance of elected officials and publish it on the SBOA's website.
- Makes an exception for school corporation treasurer personal liability.
- Provides that if there is an office of town clerk-treasurer that is vacant, and the town legislative body is unable to fill the office, the town legislative body may either:
 - (1) enter into a local agreement with the town clerk-treasurer and town legislative body of another town in the state to assist a selected town legislative body member in performing the duties of the clerk-treasurer's office; or
 - (2) enter into a contract with a certified public accountant to assist the town legislative body member in performing the duties of the clerk-treasurer's office. (Current law provides that the town legislative body may only enter into a contract with a certified public accountant after the town legislative body is unable to reach an agreement with another town.)
- Provides that if, after reasonable diligence, a town may hire any qualified person to perform the duties of the clerk-treasurer's office until the vacancy can be filled, or until the end of the current clerk-treasurer's term, whichever is first.
- Provides that newly elected officials shall complete five hours of training before taking office.
- Provides that elected officials shall certify completion of training requirements to the SBOA annually.
- Excludes self-supporting school lunch and the rental or sale of curricular materials as programs that may be established as separate funds.
- Repeals obsolete provisions.
- Makes technical corrections.

HEA 1041, P.L. 59 - STATE BOARD OF ACCOUNTS

Author: Lehman (R-Berne)

Sponsor: Bassler (R-Washington)

Summary of Provisions

- Provides that the state board of accounts (SBOA) is designated as the independent external auditor of audited entities and is subject to applicable professional accounting standards.
- Requires annual reports to be prepared, verified, and filed with the state examiner as set forth in the uniform compliance guidelines.
- Requires all appointments of field examiners be made solely upon the ground of fitness in accordance with professional accounting and auditing standards.

- Provides that if an examination of an audited entity is unable to be performed because the audited entity's accounts, records, files, or reports are not properly maintained or reconciled, the audited entity may be declared to be unauditable.
- Provides that an audited entity that is declared unauditable shall bring its accounts, records, files, or reports into an auditable condition within 90 days.
- Requires the SBOA to publish a list of audited entities declared unauditable on its website.
- Revises conditions under which the state examiner may undertake an examination based on a violation of the law.
- Requires the SBOA to approve a request by an audited entity to opt out of examinations and engage a certified public accountant to conduct examinations if, within the last six years, the SBOA has not issued an examination or special investigation report critical of the audited entity's internal controls and there have been no adverse reports.
- Provides that the SBOA may terminate its approval of the use of a certified public accountant if certain requirements are not met.
- Revises the provision regarding field examiner traveling expenses.
- Makes changes to certain reporting, resolution, and disclosure requirements. Simplifies the provision regarding parties and a plaintiff's right of recovery.
- Removes provisions regarding additional powers of the state examiner and attorney general.
- Provides that if the attorney general brings an action against an official bond, official bonds, or a crime insurance policy, the cause may be brought in the name of the state of Indiana upon the relation of the attorney general as plaintiff.
- Repeals a provision regarding the withdrawal or removal of counties from solid waste management districts.
- Repeals a provision regarding bonds and crime policies for faithful performance.
- Repeals a provision regarding examination reports, requisites, performance of public works, and SBOA powers.
- Repeals a provision regarding copies of reports filed with libraries, public inspections, and request renewals.
- Makes technical and conforming changes.

HEA 1046, P.L. 210 - TRANSPORTATION MATTERS

Author: Morrison (R-Brazil)

Sponsor: Deery (R-West Lafayette)

Summary of Provisions

- Provides that a transit development district may be established in a municipality that is located in a county that is a member of the development authority and has operated regularly scheduled commuter bus services to Chicago, Illinois, with prior financial assistance from the development authority, and shuttle bus services that transport riders to a train station or a regular train stop along the Chicago to South Bend line.
- Provides for a public transportation corporation located in a county having a population of more than 185,000 and less than 200,000 to expand service beyond the boundary of the county to an adjacent county if the counties have entered into an interlocal cooperation agreement to expand service.

HEA 1157, P.L. 126 - RESIDENTIAL HOUSING DEVELOPMENT PROGRAM

Author: Moed (R-Indianapolis)

Sponsor: Walker, K. (R-Lawrence)

Summary of Provisions

- Makes the following changes regarding Marion County redevelopment:
 - (1) Revises allocation area requirements for the redevelopment commission (commission) to establish a housing program.
 - (2) Allows the commission to establish a residential housing development program (residential housing

program) and a tax increment funding allocation area for the residential housing program, if the construction of new houses fails to reach a benchmark.

- Requires the department of local government finance, in cooperation with the city of Indianapolis, to determine eligibility for the residential housing program.
- Specifies the rights, powers, privileges, and immunities of the commission in implementing a residential housing program.

HEA 1207, P.L. 131 - 911 FEES

Author: Karickhoff (R-Kokomo)

Sponsor: Crider (R-Greenfield)

Summary of Provisions

- Authorizes the statewide 911 board to increase the following fees one time in the period beginning after April 30, 2023, and ending before July 1, 2026:
 - (1) The enhanced prepaid wireless charge.
 - (2) The statewide 911 fee. (Current law allows the board to adopt one time increases to each fee in the period that began after April 1, 2020, and ends before July 1, 2023.)

HEA 1211, P.L. 70 - WELDING CERTIFICATIONS ON PUBLIC WORKS PROJECTS

Author: Karickhoff (R-Kokomo)

Sponsor: Doriot (R-Goshen)

Summary of Provisions

- Requires that contractors on a public works project meet certain standards relating to the welding of structural steel.

HEA 1316, P.L. 224 - IFA APPROVAL AND REVOLVING LOAN PROGRAMS

Author: Miller (R-Elkhart)

Sponsor: Charbonneau (R-Valparaiso)

Summary of Provisions

- Provides that a participant may issue and sell bonds to the Indiana finance authority (authority) without the requirement of an increase to the user rates and charges of the participant.
- Provides that the bonds must be issued under a resolution or ordinance and the proceeds must be used to carry out the purposes allowed by the program.
- Defines the term “independent evaluator” for purposes of non-revenue water audits.
- Requires a water utility to annually perform an audit of its water distribution system through the use of the latest version of the American Water Works Association’s free water audit software or other methodology software to determine the causes of the water utility’s non-revenue water.
- Provides that the issuance, by the ports of Indiana, of both taxable and tax exempt revenue bonds of the state, payable solely from revenues for the purpose of paying all or any part of the cost of a port or project, is subject to the prior approval of the authority.
- Provides for the appointment of a nine member board of directors of the Indiana Secondary Market for Education Loans, Inc. (ISMEL).
- Provides that ISMEL may only borrow money after consulting with the authority not less than three months before ISMEL begins the process of borrowing money.
- Requires ISMEL to, at least 30 days prior to the issuance or placement of any bond, note, or other instrument, report to the budget committee the estimated amount of the bonds.

HEA 1401, P.L. 144 - ASSESSMENT OF WIND POWER DEVICES

Author: Negele (R-Attica)

Sponsor: Leising (R-Oldenburg)

Summary of Provisions

- Requires a public utility company that owns or operates a wind power device after a change in ownership of the wind power device to report, when filing its first statement of value and description of property with the department of local government finance (department), the valuation of the device at the same valuation amount that the previous owner reported on the previous owner's last annual report before the change in ownership if the valuation amount that the acquiring public utility company would otherwise enter on its first report is lower than the valuation amount at which the previous owner valued the wind power device before the change in ownership.
- Requires the new owner, for years subsequent to the first year after the change in ownership, to calculate and report the valuation of the wind power device in accordance with:
 - (1) the statute concerning the taxation of public utility companies; and
 - (2) rules prescribed by the department.
- Provides that for any year subsequent to the first year after the change in ownership of a wind power device, the department, in determining the just value of the property, shall not consider valuations determined by another governmental agency.
- Provides that these requirements do not apply to a public utility company that owns or operates one or more wind power devices and that has signed or countersigned an economic development agreement, or another financial agreement, that is entered into:
 - (1) with the county in which the public utility company's wind power devices are located; and
 - (2) for the purpose of repowering, or upgrading the technology used in, the wind power devices; before a sale or transfer of the wind power devices.
- Requires the department to make necessary conforming changes to the annual report form. Requires the Indiana utility regulatory commission to include a provision in an order declining to exercise jurisdiction over a public utility company that:
 - (1) owns or operates one or more wind power devices; or
 - (2) plans to own or operate one or more wind power devices; requiring the public utility to notify the department of any change in ownership of the wind power devices.
- Requires that before November 1, 2024, and before November 1, 2025, the department shall prepare, submit in an electronic format, and present a report on:
 - (1) the valuation of wind power devices; and
 - (2) the department's progress in implementing the bill's provisions; to the interim study committee on energy, utilities, and telecommunications.
- Amends the Indiana Code provision that sets forth how the department is to determine the just value of the property of a public utility company to provide an exception from the specified procedures with respect to the determination of the just value of wind power devices.

HEA 1438, P.L. 84 - PUBLICATION OF LOCAL GOVERNMENT NOTICES

Author: Miller (R-Elkhart)

Aim Comments

Aim continues to support modernizing how public notices can be published. Under current law, municipalities are required to publish newspaper notices in two newspapers with a circulation of at least 200. This can be expensive for local units and papers cannot always deliver notices in a timely manner that can be easily accessed by constituents. During the 2021 legislative session, SEA 332 passed which still required initial notices to be published in a newspaper but allowed additional notices to be published on a municipality's website. Aim supported this increased flexibility but continues to support allowing local units to post all notices online. The introduced version of HEA 1438 would have allowed this but it was turned into a summer study committee to explore the topic further.

Summary of Provisions

- Provides that a towing service is subject to the same public notice advertising rates as a government agency if the service:
 - (1) acts as an agent of a government agency; and
 - (2) provides the notice required to dispose of abandoned vehicles or parts.
- Provides for the creation of a public notice task force (task force) to study notice publication statutes for the purpose of streamlining the process and maximizing value to Indiana citizens.
- Provides the following:
 - (1) The task force must publish a report with its determinations and recommendations for legislation not later than December 1, 2023.
 - (2) The task force expires December 31, 2023.

HEA 1454, P.L. 236 - DEPARTMENT OF LOCAL GOVERNMENT FINANCE

Author: Snow (R-Warsaw)

Sponsor: Bassler (R-Washington)

Aim Comments

HEA 1454 is the annual Department of Local Government Finance (DLGF) agency bill which includes many provisions related to local government finance. This was one of the last bills negotiated during session and ended up being the home for language on many different issues some of which Aim supported and some of which we opposed.

For years, Aim has supported language that would require counties that are changing LIT rates or uses to notify the municipalities in the county of the changes. This year, language requiring that notification to be sent out before LIT changes can go into effect was added to HEA 1454. HEA 1454 also includes positive language that grants additional flexibility for RDCs by allowing (but not requiring) public safety operations and capital to be funded by TIF. Another positive provision raises the threshold requiring an RDC to obtain two independent appraisals of fair market value of property from \$25,000 to \$50,000.

Unfortunately, HEA 1454 also included language that Aim did not support RDCs are now required to conform to a spending plan adopted at the beginning of the year. The bill also requires the president and vice president to be appointed by different appointing authorities - so if the mayor appoints the president, the council must appoint the vice president. It clarified that video streaming providers do not owe local franchise fees, intervening in ongoing litigation. There was also last-minute language added to the DLGF bill dealing with rental inspections. If a unit wants to verify that every unit within the complex is safe and habitable through a third-party inspection, they could not do so; instead, they would be limited to the HUD sample size.

Both positive and negative language was added to HEA 1454 with respect to local food and beverage taxes. Three new food and beverage taxes were approved for the cities of Jasper, Merrillville, and Columbia City and new procedures were outlined for how food and beverage taxes should be requested going forward. However, new reporting requirements were added to all food and beverage taxes and all existing food and beverage taxes were sunset at least 22 years from the passage of this bill.

Language was also proposed in earlier versions of this bill to place hospitals and health care facilities in the 2% property tax cap category and prevent providers that pay franchise fees from paying other right-of-way access fees. Ultimately, these provisions were removed in the final version of HEA 1454.

Summary of Provisions

- Provides that the term of any judgment funding bond with regard to either:
 - (1) the city of Hobart; or
 - (2) the Merrillville Community School Corporation; issued for the purpose of paying a property tax judgment rendered against Lake County for assessment year 2011, 2012, 2013, or 2014 shall be 25 years.

- Changes the sunset date for the procedure for selling certain bonds to July 1, 2025, and makes corresponding changes.
- Adds nonprofit building corporations created by a municipal corporation to a provision concerning the purchase of municipal securities by the treasurer of state and provides that such a security must have a stated final maturity of not more than 25 years after the date of purchase.
- Specifies expenses eligible for funding from the READI fund.
- Prohibits the department of local government finance from approving a county reassessment plan before the assessor provides verification that the land values determination has been completed.
- Removes language from a statute allowing a taxpayer to elect a special property tax valuation method for mini-mill equipment that prohibited the election if any outstanding bond obligations would be impaired as a result of the election.
- Requires an assessor determining land values to submit the values to the county property tax assessment board of appeals (PTABOA) and the department. Establishes procedures for rental property assessment appeals.
- Makes changes to a provision granting a property tax exemption to cemetery owners.
- Requires the land of controlled environment agriculture property to be classified and assessed as agricultural and the improvements to be classified and assessed as an agricultural greenhouse for property tax assessment.
- Prohibits a PTABOA determination of assessed value following a hearing that exceeds the original appealed assessed value at issue.
- Provides that a qualified taxing unit located in Lake County that has experienced a property tax revenue shortfall in one or more tax years:
 - (1) resulting from erroneous assessed valuation figures; and
 - (2) which was, or will be, at least \$5,000,000, or 20% of its net tax levy, as a result of the erroneous assessed valuation amount; may apply to the treasurer for a loan from the counter-cyclical revenue and economic stabilization fund.
- Describes procedures, limitations, and uses for such loans.
- Limits the amount of loans to all qualified taxing units to \$35,000,000.
- Prescribes a formula for determining a population growth of 150% for purposes of the exclusion from maximum ad valorem property tax levy limits for municipalities that meet specified criteria.
- Makes changes to statutes concerning maximum property tax levies for:
 - (1) Sugar Creek Township Fire Protection District; and
 - (2) Otter Creek Township.
- Amends an exclusion from the definition of “controlled project” for projects required by a court order.
- Extends through 2026 the authority for certain school corporations to allocate circuit breaker credits proportionately but imposes limitations with respect to school corporation eligibility to allocate such credits.
- Repeals the provision establishing the division of data analysis of the department.
- Prohibits a county auditor from denying an application for a standard deduction for a homestead because the applicant does not have a valid driver’s license with the address of the homestead property.
- Provides that when a county auditor submits a certified statement of assessed value to the department, the county auditor shall exclude the amount of assessed value for any property located in the county for which an appeal has been filed and for which there is no final disposition.
- Provides that a county auditor may appeal to the department to include the amount of assessed value under appeal within a taxing district for that calendar year.
- Provides for the expiration of certain supplemental county property tax levy provisions on the later of:
 - (1) January 1, 2045; or
 - (2) the date on which all bonds or lease agreements outstanding on July 1, 2023, for which a pledge of tax revenue is completely paid. Imposes reporting and publication requirements for those bonds and leases.
- Removes the requirement that a PTABOA quorum must include at least one certified level two or level three assessor-appraiser.
- Prescribes additional duties for the department.

- Provides that the distressed unit appeal board (DUAB) may employ staff (instead of an executive director).
- Provides that the department may (instead of shall) support the DUAB's duties using money from the department's budget funding.
- Repeals provisions requiring the DUAB to pay the emergency manager's compensation and to reimburse the emergency manager for actual and necessary expenses.
- Repeals the fiscal and qualitative indicators committee (committee).
- Replaces references to the committee with references to the DUAB.
- Provides that, in the assessment of tangible property, confidential information may be disclosed to an official or employee of a county assessor or auditor.
- Provides that the required annual visit between a representative of the department and each county may take place virtually.
- Requires a township or county assessor to document any changes made to the parcel characteristics of real property from the previous year's assessment in an assessment of the real property.
- Provides that a township may elect to establish a township firefighting fund and a township emergency services fund in lieu of the township firefighting and emergency services fund.
- Provides that the excess of the proceeds of the property taxes attributable to an increase in the property tax rate for a participating unit of a fire protection territory that is established after the establishment of a tax increment financing area located outside of Marion County shall be allocated to and distributed in the form of an allocated property tax revenue pass back to the participating unit of the fire protection territory and not to the redevelopment district.
- Provides that the fiscal body of a county may adopt an ordinance to establish a property tax amnesty program and require a waiver of interest and penalties added before January 1, 2023, on delinquent taxes and special assessments on real property in the county if certain conditions are met.
- Amends provisions excluding the part of a participating unit's proceeds of property taxes imposed in certain tax increment finance areas for an assessment date with respect to which the allocation and distribution is made that are attributable to property taxes imposed to meet the participating unit's obligations to a fire protection territory.
- Reduces the fee, from 15% to 10%, that the department of state revenue may charge a debtor for any debts collected as a collection fee for the department's services, not including local collection assistance fees.
- Establishes a tax credit for an eligible taxpayer that employs certain individuals with a disability.
- Provides that contributions to a 529 college savings account or 529A ABLE account made after December 31, 2023, shall be considered as having been made during the taxable year preceding the contribution if certain conditions are met.
- Beginning in taxable year 2024, allows the Indiana economic development corporation to award a qualified taxpayer a historic rehabilitation tax credit equal to 25% or 30% of the qualified expenditures incurred in the restoration and preservation of a qualified historic structure, depending on the type of historic structure.
- Provides a maximum tax rate that a county fiscal body may impose for correctional facilities and rehabilitation facilities.
- Provides that part of the tax revenue that is allocated to public safety may be distributed to certain township fire departments, volunteer fire departments, fire protection territories, or fire protection districts.
- Provides that the difference between the amount of special fuel purchased by a compressed natural gas product fuel station and the amount of compressed natural gas product produced and sold by the compressed natural gas product fuel station is exempt from the special fuel tax.
- Imposes taxes on the distribution of cigars.
- Requires each local unit that imposes a food and beverage tax to annually report information concerning distributions and expenditures of amounts received from the food and beverage tax.

- Provides that food and beverage taxes currently authorized under IC 6-9 and that do not otherwise contain an expiration date (other than the stadium and convention building authority food and beverage tax and the historic hotels food and beverage tax) shall expire on the later of:
 - (1) January 1, 2045; or
 - (2) the date on which all bonds or lease agreements outstanding on May 7, 2023, are completely paid.
- Requires each local unit that imposes a food and beverage tax that is subject to the expiration to provide to the state board of accounts a list of each bond or lease agreement outstanding on May 7, 2023, and the date on which each will be completely paid.
- Requires Monroe County and the city of Bloomington to each develop a written plan before December 1 of each year that includes certain information related to the use of food and beverage tax funds.
- Specifies that the written plan must be submitted to the department of local government finance and be made available on the gateway website within 30 days of submission.
- Requires the county and the city to spend money from the applicable food and beverage tax receipts fund before July 1, 2025.
- Provides that if the county and city do not spend money from the applicable food and beverage tax receipts fund as specified, the ordinance to impose the food and beverage tax is void and food and beverage tax revenue may not be collected.
- Provides that Monroe County may not adopt a new food and beverage tax ordinance after June 30, 2025.
- Authorizes the following municipalities to impose a food and beverage tax:
 - (1) The city of Columbia City.
 - (2) The town of Merrillville.
 - (3) The city of Jasper.
- Authorizes Decatur County to impose a food and beverage tax.
- Makes certain changes regarding the distribution of revenue from the Tippecanoe County innkeeper's tax.
- Authorizes Parke County to impose its innkeeper's tax at a rate of 8% under the uniform innkeeper's tax statute (instead of 5% under current law).
- Authorizes Hamilton County to impose an innkeeper's tax under a separate innkeeper's tax statute at a rate of not more than 8% (rather than 5% under the uniform county innkeeper's tax).
- Requires notice if a county adopting body makes any fiscal decision that has a financial impact to an underlying local taxing unit or adopts an ordinance to reallocate revenue received from a local income tax.
- Specifies a statute of limitations for certain property tax appeals based on a claim of error in determining whether the property is or is not eligible for a standard homestead deduction.
- Makes changes to the timing for certain property tax appeals.
- Extends the sunset of the current calculation and allocation of certified shares among civil taxing units in Hamilton County from 2024 to 2026 and modifies the city of Carmel's certified shares determination under the calculation.
- Clarifies the term "video service".
- Modifies a provision concerning county membership on the governing and advisory boards of a community mental health center.
- Provides that, beginning January 1, 2026, an "eligible individual" for purposes of the achieving a better life experience (ABLE) program means an individual who during a taxable year:
 - (1) is entitled to benefits based on blindness or disability under Title II or Title XVI of the federal Social Security Act and the blindness or disability occurred before the individual became 46 years of age (rather than 26 years of age under current law); or
 - (2) has a disability certification that has been filed as set forth in Section 529A of the Internal Revenue Code.
- Increases amounts for which state educational institutions and school corporations may award contracts.
- Makes changes to the geothermal device deduction.
- Removes provisions that require a county to meet certain qualifications before it is authorized to adopt an emergency medical services local income tax rate.

- Provides that if the sale price of distressed property exceeds \$50,000, a redevelopment commission must obtain two independent appraisals before purchasing the property.
- Provides (beginning on or after January 1, 2024) that the legislative body of a town that has a mayor as a result of a reorganization may hire or contract with competent attorneys and legal research assistants on terms it considers appropriate.
- Repeals a statute requiring the county recorder to provide to the county auditor a list of recorded mortgage releases.
- Makes changes to various definitions in the Indiana Code chapter concerning rail transit development districts and makes a corresponding change to the local income tax increment fund.
- Changes the dates on which the department of state revenue determines base period amounts and increment revenue for the purpose of the Indiana Code chapter concerning rail transit development districts and allows the state department (if necessary) to redetermine base period amounts and increment revenue.
- Removes language under current law relating to salaries of the members of a flood control board who hold a lucrative office.
- Provides that a political subdivision may not inspect a rental unit or impose a fee pertaining to the inspection of a rental unit, if the rental unit, in addition to meeting certain other requirements, provides a written report that the rental property has been inspected or that a sample of the rental community has been inspected if the sample size complies with the United States Department of Housing and Urban Development's Rural Development for Real Estate Assessment Center inspections.
- Allows the county legislative body of a county in which a fire protection district includes all of the incorporated and unincorporated area of the county to adopt an ordinance to establish a nine member fire protection district governing board (governing board).
- Provides that on the date set forth in the ordinance establishing the governing board:
 - (1) the governing board has the powers and duties of the board of fire trustees; and
 - (2) the board of fire trustees acts solely as an advisory body to the governing board.
- Provides that the president and vice president of a redevelopment commission shall not have the same appointing authority.
- Expires on June 30, 2027, the amended changes made to the residential housing development program statute by the general assembly in the 2023 session or subsequent session, and on July 1, 2027, reinstates the residential housing development program statute as it appears in current law. Expires on June 30, 2027, the provisions added in HEA 1157 for a residential housing program in Marion County.
- Specifies information reporting requirements regarding residential housing development programs.
- Allows a redevelopment commission to expend revenues from a tax increment financing district that are allocated for police and fire services on both capital expenditures and operating expenses.
- Requires a redevelopment commission to provide an annual spending plan listing planned expenditures for the next calendar year.
- Provides that, for 2023, an ordinance or resolution to establish or expand a fire protection territory is adopted after the legislative body holds at least three public hearings to receive public comment on the proposed ordinance or resolution in which:
 - (1) at least one public hearing must be held at least 25 days before the legislative body votes on the adoption of the ordinance or resolution; and
 - (2) at least two additional public hearings must be held not later than five days before the legislative body votes on the adoption of the ordinance or resolution.
- Provides a property tax exemption for certain continuing care retirement communities or licensed health care facilities for taxes first due and payable in 2023, 2024, and 2025.
- Authorizes the emergency manager for the Gary school corporation to make a one-time transfer of non-federal dollars to any school corporation fund.
- Provides certain interest waiver provisions for weather related disaster events.
- Makes certain changes and technical corrections to provisions contained in SEA 2 (P.L.1-2023) (Taxation of pass through entities) and SEA 271 (Certified technology parks). Resolves a conflict with SEA 325, SECTION 2 (IC 6-1.1-12-37).
- Makes conforming changes and resolves other conflicts.
- Resolves a conflict with SEA 327 and HEA 1492 (IC 20-40-2-10).

- Resolves a conflict with HEA 1016 (IC 36-8-11-15).
- Makes certain changes to broadband service speed provisions.
- Provides that trailers with a declared gross vehicle weight of 3,000 pounds or less that are registered or renewed after December 31, 2023, are excluded from the following taxes beginning after December 31, 2023:
 - (1) motor vehicle excise tax;
 - (2) county vehicle excise tax; and
 - (3) municipal vehicle excise tax.

HEA 1499, P.L. 239 - VARIOUS TAX MATTERS

Author: Thompson (R-Lizton)

Sponsor: Holdman (R-Markle)

Aim Comments

One of the main issues on lawmakers' minds heading into the 2023 session was the impact of the housing market on residential property tax assessments and, ultimately, increases to property tax bills. Addressing increases to property tax bills was a priority of legislative leadership, particularly House Republicans. Aim advocated for temporary, targeted relief to mitigate any long-term impacts to municipal budgets. HEA 1499 was the vehicle for this discussion and made several temporary changes to residential property taxes.

HEA 1499 caps levy growth for local units at 4% for the next two years, which is likely to be between 1% and 1.5% less than it otherwise would have been. It also increases the supplemental homestead deduction for the next two years and allows counties to voluntarily provide rebates or credits on 2023 property taxes in the fall. It also included several provisions that primarily affect schools. HEA 1499 caps growth of school operating referenda at 3% in 2024 and causes any project in 2024 that pushes the debt service rate for a local unit over 0.4% to trigger the remonstrance and/or referendum procedure in the controlled projects statute.

Lastly, it made lasting changes to the over 65 property tax deductions and credits to better align to current property values and income levels.

Overall, HEA 1499 will have a negative fiscal impact on cities and towns, up to \$14M in 2026, but given how conversations started on this issue, the impact is not nearly as significant as it might have been.

Summary of Provisions

- Makes certain changes to the qualification requirements for the:
 - (1) deduction for individuals who are at least 65 years of age; and
 - (2) additional credit for certain homesteads.
- Increases the amount of the supplemental homestead deduction for property taxes first due and payable in 2024 and 2025.
- Provides that if a taxpayer presents an appraisal to the county property tax assessment board of appeals (county board) that meets specified requirements, the appraisal is presumed to be correct.
- Provides that if the county board disagrees with the taxpayer's appraisal, the county board may seek review of the appraisal or obtain an independent appraisal.
- Provides that after the assignment of value, the parties shall retain their rights to appeal to the Indiana board of tax review.
- Provides that, notwithstanding any increase in assessed value of property from the previous assessment date, the total amount of operating referendum tax that may be levied by a school corporation for taxes first due and payable in 2024 may not increase by more than 3% over the maximum operating referendum tax that could be levied by the school corporation in the previous year.
- Provides a calculation to be used in determining the maximum levy growth quotient in 2024 and 2025.
- Modifies, through December 31, 2024, the threshold amounts used for determining whether a political subdivision's project is a controlled project and whether the petition and remonstrance process or the referendum process applies based on the political subdivision's total debt service tax rate, but excludes

certain projects for which a public hearing to issue bonds or enter into a lease has been conducted before July 1, 2023.

- Creates an exception, through December 31, 2024, to a provision subjecting a controlled project in a political subdivision with a total debt service rate of \$0.80 per \$100 of assessed valuation to the referendum process, if:
 - (1) the political subdivision submits a request to the department of local government finance (DLGF) seeking a waiver of the provision;
 - (2) the proposed controlled project is a response to a maintenance emergency; and
 - (3) the DLGF determines that the maintenance emergency is sufficient to waive the provision.
- Amends an exclusion from the definition of “controlled project” for projects required by a court order.
- Authorizes a county fiscal body to adopt an ordinance to provide property tax relief for property tax liability attributable to homesteads for qualified individuals.
- Provides that a county may adopt a resolution to require a local income tax supplemental distribution to first be distributed and used to lower the county’s levy freeze tax rate.
- Requires the DLGF to approve a county’s request to decrease its levy freeze tax rate if the DLGF finds that the lower rate, in addition to the supplemental distribution amount determined under the resolution adopted by the county, would fund the levy freeze dollar amount.
- Requires the department of state revenue (department) to annually provide each resident individual taxpayer who paid adjusted gross income taxes in the immediately previous taxable year a taxpayer receipt statement in an electronic format explaining how the individual taxpayer’s taxes are being used.
- Requires the department, in consultation with the budget agency, to create and administer an Internet web page on which individual taxpayers may access an estimate of the allocation of their adjusted gross income taxes to various expenditure categories for the most recent state fiscal year based on the adjusted gross income taxes paid by the taxpayer.
- Specifies the information that must be provided on the web page.
- Defines “maintenance emergency”.
- Makes conforming changes.

HEA 1627, P.L. 159 - SALE OF TAX SALE PROPERTIES TO NONPROFITS

Author: Bauer (D-South Bend)

Sponsor: Rogers (R-Granger)

Summary of Provisions

- Provides that a tax sale statute concerning the sale of real property to eligible nonprofit entities for low or moderate income housing applies to all counties. (Current law provides that the provision only applies to a county having a consolidated city.)

SEA 3, P.L. 163 STATE AND LOCAL TAX REVIEW TASK FORCE

Author: Thompson (R-Lizton)

Sponsor: Holdman (R-Markle)

Aim Comments

The last two sessions have featured important discussions among legislative leaders about tax cuts for both state and local governments. This year, fiscal leaders in the Senate proposed looking comprehensively at Indiana’s tax structure in SEA 3 which creates a task force to review state income taxes, sales taxes, local property taxes (including personal property taxes and homestead property taxes), and all other local option taxes. With the state close to paying off its large unfunded liability in the pre-1996 teacher pension fund, the General Assembly expects to have a large amount of revenue freed up in coming budgets for more significant tax cuts. The task force created in SEA 3 is tasked with looking at what taxes should be looked at for restructuring when those savings are realized.

Summary of Provisions

- Establishes the state and local tax review task force (task force).
- Specifies the membership of the task force and the topics the task force is required to review.
- Provides that the member of the task force who is an economist is appointed jointly by the president pro tempore of the senate and the speaker of the house of representatives.
- Provides for the selection of the chairperson and vice chairperson of the task force.

SEA 46, P.L. 95 - COUNTY OPTION CIRCUIT BREAKER TAX CREDIT

Author: Sandlin (R-Indianapolis)

Sponsor: McGuire (R-Indianapolis)

Aim Comments

SEA 46 represents an effort for many sessions in a row to provide a tool to local governments to address gentrification, or rising property values that cause existing residents of neighborhoods to no longer be able to afford their property taxes.

SEA 46 is a county option to designate all or part of the county for an optional circuit breaker that caps annual growth of property tax bills at between 2-5%, whatever the county decides. This only applies to seniors over 55 who have lived in their homes for at least 10 years.

In addition to the gentrification issue, this bill was also discussed in the context of targeted property tax relief for the residential property tax issue generally. It was part of a package of bills that sought to give some relief to rising property tax assessments.

Summary of Provisions

- Authorizes a county fiscal body to adopt an ordinance to provide a credit against property tax liability for qualified individuals.
- Defines a “qualified individual” for purposes of the credit. Provides that the ordinance may designate:
 - (1) all of the territory of the county; or
 - (2) one or more specific geographic territories within the county; as a neighborhood enhancement district in which qualified individuals may apply for the credit.
- Provides that the amount of the credit in a particular year is equal to the amount by which an individual’s property tax liability increases by more than the percentage of increase specified by the county fiscal body from the prior year.
- Provides that the credit does not affect the allocation of taxes to a referendum fund.
- Requires a qualified individual who desires to claim the credit to file a certified statement with the county auditor.
- Provides that the county auditor shall apply the credit in succeeding years after the certified statement is filed unless the auditor determines that the individual is no longer eligible for the credit or the county fiscal body rescinds the ordinance.
- Provides a penalty for wrongly receiving the credit that is the same as the penalty for wrongly receiving the homestead standard deduction.
- Provides that an individual may not receive both a county option circuit breaker tax credit and an over 65 property tax credit in the same year.
- Provides that an ordinance must specify that the credit does not apply for property taxes first due and payable after December 31, 2027.
- Sunsets the county option on January 1, 2028.

SEA 156, P.L. 26 - TAX SALES

Author: Niemeyer (R-Lowell)

Sponsor: Slager (R-Griffith)

Summary of Provisions

- Provides that a person who acquires a certificate of sale (certificate) may not assign the certificate to a person who was not eligible under the tax sale laws to bid on or purchase real property at a tax sale until the person satisfies the eligibility requirements as determined by the county auditor.
- Requires a person to acknowledge that the person will not assign a certificate for any real property purchased to a person who is prohibited from bidding on or purchasing real property at a tax sale.
- Requires the county auditor to determine that an assignee of a certificate is eligible to receive the assignment for an assignment to be valid.
- Provides that assignments of a certificate must be included on the county auditor's tax sale record.
- Requires the county, the county auditor, or a county vendor to list certain information concerning tax sales on the website of the county, county auditor, or county vendor for a specified period of time.
- Specifies that a county or a county vendor is not liable for an act or omission related to making information available on a website.

SEA 157, P.L. 27 - PARCELS OFFERED AT SUCCESSIVE TAX SALES

Author: Niemeyer (R-Lowell)

Sponsor: Slager (R-Griffith)

Summary of Provisions

- Requires that the county auditor's notice of tax sale include a statement providing that if a tract or item of real property has been offered for sale at a county treasurer's tax sale (treasurer's sale) and a county executive's tax sale (executive's sale) on two or more occasions without a bid, the tract or item of real property may be subject to an ordinance authorized by the bill.
- Adds a person who claims a substantial property interest of public record to a statute concerning the county auditor's provision of notice of tax sale to certain persons who annually request a copy of the notice.
- Provides that a person who owns any tract or item of real property that has been offered for sale at a treasurer's sale and executive's sale on two or more occasions without a bid is prohibited from bidding on or purchasing tracts offered for sale.
- Adds language that allows a county legislative body to adopt an ordinance with respect to parcels of real property that have been offered for sale at a treasurer's sale and an executive's sale on two or more occasions without a bid.
- Specifies that such a parcel (subject to certain criteria) is considered a public hazard.
- Establishes a procedure for a county to transfer a tax sale certificate to a municipality or retain a tax sale certificate and for a county or municipality to file a petition with the circuit court (court) requesting the issuance of a deed for the property to the requesting county or municipality.
- Provides that, at the request of a municipality, the county auditor and county treasurer (subject to available funding) shall enter into a mutual agreement for the county auditor to perform certain duties concerning notification of a party's right to redeem such a parcel and the filing of a petition to the court for issuance of a tax deed for the parcel.
- Provides that the court shall hold a hearing on the petition for issuance of a tax deed.
- Provides requirements that apply to a quiet title action with respect to a parcel placed into the name of a county or municipality.
- Provides that an owner of a parcel of real property that has been offered for sale at a treasurer's sale and an executive's sale on two or more occasions without a bid may transfer the real property, subject to any liens and encumbrances, by warranty deed to a county or municipality.

SEA 185, P.L. 102 - 1977 FUND MEMBERSHIP

Author: Baldwin (R-Noblesville)

Sponsor: Torr (R-Carmel)

Summary of Provisions

- Modifies the definition of “salary of a first class patrolman or first class firefighter” for the 1977 police officers’ and firefighters’ pension and disability fund (1977 fund).
- Allows an airport authority to participate in the 1977 fund. Increases the maximum age for a firefighter to be appointed to a fire department and become a member of the 1977 fund from 35 years of age to 39 years of age.
- Makes corresponding changes.

SEA 268, P.L. 104 - PROHIBITED PENSION SYSTEM INVESTMENTS

Author: Garten (R-Charlestown)

Sponsor: Judy (R-Fort Wayne)

Summary of Provisions

- Prohibits the Indiana public retirement system from investing in certain restricted entities or restricted investment products, including particular investments publicly confirmed to be controlled by the People’s Republic of China or the Chinese Communist Party.
- Specifies exceptions, a divestment schedule, and reporting requirements.
- Adds a provision urging the legislative council to assign to the interim study committee on pension management oversight the topic of studying whether to cease or defer divestment or resume investment in an entity or product in accordance with the provisions regarding divestment from Chinese companies.

SEA 271, P.L. 105 - CERTIFIED TECHNOLOGY PARKS

Author: Buchanan (R-Lebanon)

Sponsor: Snow (R-Warsaw)

Summary of Provisions

- Specifies additional information that a certified technology park (park) is required to provide to the Indiana economic development corporation (corporation) in the course of a review.
- Provides that if a park has reached the limit on deposits and maintains its certification, the park shall become a Level 2 park.
- Increases, from \$100,000 to \$250,000, the annual additional incremental income tax deposit amount that a park captures once it has reached its limit on deposits.
- Clarifies the calculation of the additional incremental income tax deposit amount in the year in which a park reaches its limit on deposits.
- Provides that when the corporation certifies a Level 2 park, the corporation shall make a determination of whether the park shall continue to be designated as a Level 2 park.
- Requires the corporation to report to the budget committee certain information pertaining to businesses located in each park on a biennial basis.

SEA 283, P.L. 179 - MARION COUNTY ROAD FUNDING

Author: Freeman (R-Indianapolis)

Sponsor: Behning (R-Indianapolis)

Summary of Provisions

- Provides that at least 65% of the funds distributed to a county containing a consolidated city from the motor vehicle highway account (MVHA) shall be used for the construction, reconstruction, and preservation of highways by the county and the consolidated city respectively. (Current law provides that at least 50% of the funds distributed to a county or a municipality from the MVHA is to be used for the construction, reconstruction, and preservation of the county or municipality’s highways.)

- Provides that, for purposes of determining the right of the consolidated city to receive a distribution of money from the MVHA based on population, the population of all the territory of the consolidated city is considered its population.
- Provides that, beginning in calendar year 2024, the consolidated city must use:
 - (1) the entire amount distributed to the consolidated city from the MVHA that is attributable to the consolidated city's population in Wayne, Pike, and Decatur townships not included in the population of the fire special service district; and
 - (2) an appropriation that is the greater of \$8,000,000 or the amount of the distribution from the MVHA that is attributable to the consolidated city's population in Wayne, Pike, and Decatur townships not included in the population of the fire special service district in the previous year; for the construction, reconstruction, and preservation of the consolidated city's local streets and alleys.
- Requires the Indiana department of transportation (department) to:
 - (1) conduct a study, with advisement from the consolidated city, to determine the asset condition of the consolidated city's former state highways;
 - (2) appear before the interim study committee on roads and transportation during the 2023 legislative interim to provide testimony on the department's findings and observations from the study; and
 - (3) not later than November 1, 2023, report the department's findings and observations to the interim study committee on roads and transportation.

SEA 296, P.L. 7 - SALE OF TAX DELINQUENT REAL PROPERTY

Author: Koch (R-Bedford)

Sponsor: Jeter (R-Fishers)

Summary of Provisions

- Defines the term "severed interest" as an improvement, mineral rights, air rights, water rights, or other rights in property in, on, under, or above the land for which the owner or holder of the interest identified in the current real property tax records of the county auditor is sent a separate property tax statement.
- Provides that the estate in fee simple that is vested in a grantee by a tax deed executed under the law on the sale of tax delinquent property is subject to a lease shown by public record if the tax deed conveys only a severed interest located in, on, under, or above the land.
- Provides that the rights that an owner of land has in the land, in a lease shown by public record, or in a memorandum of a lease shown by public record are not limited or abrogated by a tax deed conveying an interest in one or more severed improvements.

SEA 317, P.L. 181 - CONTRACTING AND PURCHASING

Author: Zay (R-Huntington)

Sponsor: May (R-Bedford)

Aim Comments

SEA 317 is one of Aim's legislative initiatives. Prior to the passage of SEA 317, local units of government could not make deposits for large purchases or prepay vendors for supplies or events even if the vendor requiring the deposit was cheaper. SEA 317 now expands the ability for political subdivisions to may make advance payments for goods or services before the goods are delivered or services are completed if the fiscal body of the political subdivision authorizes advance payments. A political subdivision may also make advance payments to contractors to enable the contractors to purchase materials needed for a public works project of the political subdivision.

Aim worked with the State Board of Accounts on some of the guardrails that were included.. Prepayments or deposits cannot exceed \$2M or 50% of the total cost of the project. In addition, if the fiscal body of the political subdivision authorizes making advance payments, the local fiscal officer or the local fiscal officer's designee must do the following when advance payments are made:

- (A) Track prepayments by defining the prepayment on a purchase order
- (B) Create a prepayment invoice that is associated with the purchase order
- (C) Require insurance or a surety bond in the amount of the prepayment if the amount of the prepayment is more than \$150,000

Summary of Provisions

- Provides that a political subdivision may make advance payments to contractors to enable the contractors to purchase materials needed for a public works project of the political subdivision.
- Provides that a political subdivision may make advance payments for goods or services before the goods are delivered or services are completed if the fiscal body of the political subdivision authorizes advance payments.

SEA 325, P.L. 182 - HOMESTEAD STANDARD DEDUCTION

Author: Buchanan (R-Lebanon)

Sponsor: Thompson (R-Lizton)

Aim Comments

SEA 325 came in response to an Indiana Supreme Court decision in *Schiffler v. Marion County* that called into question long-standing precedent on the definition of what counts as a homestead for the purposes of homestead property tax deductions and property tax caps.

Historically, the definition had been one acre of property, one home, and one garage. That definition was overturned by the courts and the introduced version of SEA 325 sought to bring it back to that definition. However, through the course of the session this bill also became tied up in the conversation about providing residential property tax relief as well. Ultimately the historic definition of homestead was expanded in the bill to a new definition that includes one acre of land, one home, one garage, and one additional residential structure. It also moves all of the other property on the parcel not included in the definition of a homestead to the 2% property tax cap category instead of the 3% category. Altogether, these changes are expected to have an annual impact on local government budgets of just under \$18M.

Summary of Provisions

- Specifies the requirements and the real property improvements considered when determining whether property is a dwelling or a homestead for purposes of the standard property tax deduction law.
- Removes additional definitions of “homestead” from the statute.
- Specifies that for purposes of the circuit breaker law “nonresidential real property” refers to real property that is not:
 - (1) a homestead;
 - (2) residential property;
 - (3) long term care property; or
 - (4) agricultural land.
- Provides that, for assessment dates after December 31, 2023, “residential property” includes any other land, building, or residential yard structure, including a deck, patio, gazebo, or pool that is not attached to a dwelling that:
 - (1) is not part of a homestead; and
 - (2) is predominantly used for a residential purpose.
- Makes a conforming change.

SEA 326, P.L. 183 - PROFESSIONAL SPORTS AND CONVENTION DEVELOPMENT AREAS

Author: Mishler (R-Mishawaka)

Sponsor: Teshka (R-South Bend)

Summary of Provisions

- Adds certain city facilities located in the city of South Bend to the tax area of the South Bend professional sports and convention development area (PSCDA).
- Increases the maximum amount of covered taxes that may be captured in the PSCDA from \$2,000,000 to \$5,000,000.
- Provides that the first \$2,500,000 of captured taxes each year shall be transferred to the city of South Bend to be used for capital improvements for a facility owned by the city and used by a professional sports franchise.
- Provides that the remaining captured taxes each year shall be transferred to the city of South Bend to be used consistent with specified uses under current law.
- Provides that the South Bend PSCDA terminates not later than June 30, 2044.
- Increases the amount of revenue that may be captured in a PSCDA (other than a PSCDA in Allen County or South Bend) to an amount that may not exceed \$10 (instead of \$5 under current law) per resident.
- Authorizes the city of Fishers to establish a professional sports development area.
- Provides that, for a professional sports development area established in the city of Fishers, the maximum amount of covered taxes that may be captured is \$2,000,000 per year. Specifies the uses of the captured tax revenue. Provides that the professional sports development area terminates not later than June 30, 2044.

SEA 344, P.L. 186 - NORTHEAST INDIANA STRATEGIC DEVELOPMENT COMMISSION

Author: Holdman (R-Markle)

Sponsor: Heinie (R-New Haven)

Summary of Provisions

- Establishes the northeast Indiana strategic development fund (fund) administered by the northeast Indiana strategic development commission (commission).
- Prohibits money in the fund from being used for the purposes of expanding or increasing access to broadband.
- Adds additional purposes to be carried out by the commission in the development area.
- Expands the membership of the commission to include two additional voting members to be appointed by the mayors and commissioners caucus of the northeast Indiana regional development authority and specifies certain qualifications for the appointments.

SEA 374, P.L. 8 - REGIONAL WATER, SEWAGE, OR SOLID WASTE DISTRICTS

Author: Koch (R-Bedford)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Increases the maximum amount that may be paid to a member of the board of trustees of a regional water, sewage, or solid waste district from \$50 to \$150 per day.
- Removes a provision that allows for the payment of not more than \$125 per day to members of the board of trustees of a regional water and sewage district that meets certain requirements.

SEA 390, P.L. 50 - COMMERCIAL SOLAR AND WIND ENERGY READY COMMUNITIES

Author: Messmer (R-Jasper)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Provides that the commercial solar and wind energy ready communities development center (center) may be established within the Indiana office of energy development (office).
- Provides that the center, if established, shall:
 - (1) provide comprehensive, easily accessible information concerning permits required for commercial solar projects and wind power projects; and
 - (2) work with permit authorities concerning those projects.
- Requires the center to create and administer a program to certify counties and municipalities as commercial solar energy ready communities and wind energy ready communities.
- Requires the office to certify a county or municipality as a commercial solar energy ready community or a wind energy ready community if the county or municipality meets certain requirements, including the adoption of a commercial solar regulation or wind power regulation that includes standards that are not more restrictive than the default standards established by Indiana law.
- Provides that a commercial solar and wind energy ready communities incentive fund (fund) may be established by the office.
- Provides that if:
 - (1) a county or municipality receives certification as a commercial solar energy ready community or a wind energy ready community;
 - (2) a project owner constructs a commercial solar project or wind power project in the county or municipality;
 - (3) the fund is established; and
 - (4) there is a sufficient balance in the fund; the office may authorize the county or municipality to receive from the fund, for a period of 10 years, \$1 per megawatt hour of electricity generated by the commercial solar project or wind power project.

SEA 417, P.L. 193 - VARIOUS TAX MATTERS

Author: Baldwin (R-Noblesville)

Sponsor: Thompson (R-Lizton)

Summary of Provisions

- Makes certain changes to the nonprofit organization sales tax exemption threshold after which nonprofit organizations are required to collect state sales tax.
- Authorizes a county to impose a local income tax (LIT) rate for county staff expenses of the state judicial system in the county.
- Provides that the expenses paid from the LIT revenue may not comprise more than 50% of the county's total budgeted operational staffing expenses related to the state judicial system in any given year.
- Requires certain reporting requirements related to the use of the LIT revenue.
- Specifies a three business day grace period following the postmark date of a document during which the department of state revenue will consider the document received to be timely filed for purposes of a due date.
- Makes certain changes to the nonprofit organization sales tax exemption threshold after which nonprofit organizations are required to collect state sales tax.

SEA 419, P.L. 194 STATE TAX MATTERS

Author: Holdman (R-Markle)

Sponsor: Thompson (R-Lizton)

Summary of Provisions

- Changes the definition of “Internal Revenue Code” in the adjusted gross income tax law to mean the Internal Revenue Code of 1986 as amended and in effect on January 1, 2023.
- Makes certain changes regarding net operating losses for purposes of determining state adjusted gross income.
- Provides that certain amounts for providing or expanding access to broadband service in Indiana may be subtracted from a taxpayer’s state corporate adjusted gross income.
- Provides for successor liability for certain unpaid taxes following a business asset sale. Repeals an outdated provision requiring separate exemption certificates for manufacturers and wholesalers.
- Makes a clarifying change to the sales tax exemption that applies to power subsidiaries.
- Clarifies the acquisition date for purposes of adding back interest from tax exempt bonds issued by another state in determining Indiana adjusted gross income.
- Amends provisions regarding the exemption for certain income derived from patents.
- Provides that tax paid by an electing partnership is deposited in the state general fund.
- Makes clarifying changes and technical corrections to the affordable and workforce housing tax credit.
- Specifies the deposit and distribution of interest with respect to certain taxes.
- Authorizes the department of state revenue to publish or disclose the status of a governmental or nonprofit entity’s sales tax exemption certificate.
- Provides that a person who knowingly or intentionally sells, purchases, installs, transfers, or possesses:
 - (1) an automated sales suppression device or a zipper; or
 - (2) phantom-ware; commits a class A misdemeanor, and increases the penalty if certain circumstances exist.
- Makes clarifying and technical corrections to provisions under the electronic cigarette tax.
- Makes certain changes to a provision contained in P.L.1-2023.
- Provides that an individual who is an Indiana resident and a member of a health care sharing ministry is entitled to an adjusted gross income tax deduction.
- Requires a taxpayer to:
 - (1) deduct from the taxpayer’s adjusted gross income for a taxable year the amount of specified research or experimental expenditures paid or incurred by the taxpayer during the taxable year; and
 - (2) add to the taxpayer’s adjusted gross income an amount equal to the deduction claimed under Section 174 of the Internal Revenue Code for the taxable year.
- Provides that certain transactions involving a person’s acquisition of agricultural machinery, tools, or equipment are exempt from the application of the state gross retail tax.
- Provides that if an organization provides nonprofit agricultural organization insurance coverage, the organization is subject to a nonprofit agricultural organization health coverage tax unless the organization:
 - (1) files a notice of election with the insurance commissioner and the commissioner of the department of state revenue on or before November 30 of a taxable year; and
 - (2) states in the notice of election that the organization elects to be subject to state income tax for the taxable year.
- Provides that compensation received by an individual who:
 - (1) is not a resident of Indiana; and
 - (2) receives compensation for employment duties performed in Indiana for 30 days or less during the calendar year; is exempt from the adjusted gross income tax.
- Provides a sales tax exemption for certain components of a solar or wind energy system.

SEA 434, P.L. 194 - ECONOMIC DEVELOPMENT IN LAKE COUNTY

Author: Melton (D-Gary)

Sponsor: Slager (R-Griffith)

Summary of Provisions

- Establishes the blighted property demolition fund (demolition fund).
- Provides that money in the demolition fund is to be used for costs associated with demolishing a qualified property located in the territory of a current or future transit development district or in the area surrounding the Gary Metro Center.
- Allows the Lake County fiscal body to adopt an increase in the county innkeeper's tax.
- Establishes the Lake County economic development and convention fund (convention fund). Provides that money in the convention fund may be used for purposes related to a convention center in Lake County.
- Establishes a local county fund known as the Lake County convention and event center reserve fund (reserve fund).
- Provides that the revenue received from an increase in the innkeeper's tax is deposited in the reserve fund.
- Provides that, beginning July 1, 2023, proposals may be submitted for construction and operation of a Lake County convention and event center to the Lake County board of commissioners.
- Provides minimum requirements for a proposal. Provides that if a proposal is approved, the Lake County convention center authority is established to provide general oversight.
- Establishes the Gary Metro Center station revitalization fund (metro center station fund).
- Establishes the Gary Metro Center station revitalization project board to provide oversight of the ongoing maintenance and operation of the Gary Metro Center station.
- Beginning after June 30, 2025, requires the department of state revenue to deposit certain amounts in each state fiscal year of the riverboat wagering tax revenue collected from a riverboat operating within the city of Gary in the demolition fund, the convention fund, and the metro center station fund.



Accelerate Indiana
Municipalities

Public Safety

2024
STATEHOUSE
REPORT

HEA 1001, P.L. 202 - STATE BUDGET

Author: Thompson (R-Lizton)

Sponsor: Mishler (R-Mishawaka)

Aim Comments

A full summary of HEA 1001, P.L. 202 – State Budget, in Administrative Chapter of this Budget Bulletin. There are several provisions in the budget specifically related to public safety.

- Local Law Enforcement Training - \$10M
 - o For the purpose of providing distributions to city, town, and county law enforcement agencies to conduct law enforcement training, including the purchase of supplies and training materials
 - o A distribution to a law enforcement agency in a fiscal year may not exceed the amount that the law enforcement agency received from fees collected pursuant to IC 35-47-2-3 in calendar year 2020
- Regional Mental Health Facility Grants - \$10M
 - o Grants to support a regional approach to mental health services for incarcerated individuals

Summary of Provisions

- Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes.
- Repeals a provision that makes a state general fund appropriation to the board of trustees of the Indiana public retirement system if the money available in the special death benefits fund is insufficient to pay death benefit claims.
- Establishes the regional public safety training fund.
- Repeals provisions relating to the establishment of the:
 - (1) Indiana homeland security foundation;
 - (2) Indiana homeland security fund; and
 - (3) fire training infrastructure fund.
- Allows certain members of the public employees' retirement fund or Indiana state teachers' retirement fund to file an election to begin receiving retirement benefits while holding a position.
- Changes the state police pre-1987 benefit and supplemental pension benefit calculation from being based on the sixth year of service to the fourth year of service. Repeals the public mass transportation fund.
- Repeals the financial responsibility compliance verification fund. Changes the number of years of service on which the salary matrix for state police employees is based to 15 years (instead of 20 years).
- Requires the department of correction to deposit the amount appropriated for the county misdemeanor fund by a county's multiplier.
- Makes certain amendments to the juvenile diversion grant program, the juvenile community alternatives grant program, and the juvenile behavioral health competitive grant pilot program (programs).
- Requires grants for the programs to be administered by the Indiana criminal justice institute in consultation with the juvenile justice oversight committee (oversight committee) and the grant process workgroup created by the oversight committee, taking into consideration the grant program report prepared and submitted to the commission on improving the status of children in Indiana by the oversight committee.
- Requires the state comptroller to deposit distributions of pro bono legal services fees received from the:
 - (1) clerk of a circuit court;
 - (2) clerk of a city or town court; or
 - (3) Marion County small claims court; in the pro bono legal services fund.
- Requires the Indiana public retirement system to study and report and present on certain topics to the interim study committee on pension management oversight before November 1, 2023.

HEA 1006, P.L. 206 - MENTAL HEALTH PROGRAMS

Author: Steurwald (R-Avon)

Sponsor: Freeman (R-Indianapolis)

Aim Comments

HEA 1006 is an attempt by the General Assembly to help communities provide support for individuals experiencing a mental health episode. The legislation allows for people with mental health issues to be diverted to local treatment facilities for treatment instead of being sent to jail. It sets out rules and a timeline for how a person who has been arrested should be evaluated, treated, and potentially committed for mental illnesses.

The law allows physician assistants and advanced practice nurses to examine the person, but only a doctor can sign off on a petition to detain and commit the person.

HEA 1006 also establishes a local mental health referral program to provide necessary mental health treatment for individuals who have been arrested and was funded with a \$10M appropriation in the state's budget.

Summary of Provisions

- Specifies the circumstances under which a person may be involuntarily committed to a facility for mental health services and specifies that these services are medically necessary when provided in accordance with generally accepted clinical care guidelines.
- Establishes a local mental health referral program to provide mental health treatment for certain persons who have been arrested.
- Repeals obsolete provisions and makes technical corrections.

HEA 1015, P.L. 120 - WORKSITE SPEED CONTROL PILOT PROGRAM

Author: Pressel (R-Rolling Prairie)

Sponsor: Ford, Jon (R-Fort Wayne)

Summary of Provisions

- Requires the Indiana department of transportation (department) to establish the worksite speed control pilot program (pilot program) for the purpose of enforcing worksite speed limits.
- Requires that the department:
 - (1) work with the state police department to administer the pilot program; and
 - (2) enter into an agreement with the state police department to share information regarding the pilot program.
- Permits the department to contract with a third party vendor to assist in implementing the pilot program.
- Provides that an individual who is recorded by a worksite speed control system may not be assessed a civil penalty unless the violation is at least 11 miles per hour above the established worksite speed limit.
- Replaces the term "work zone" with "worksite" throughout the relevant statutes.

HEA 1016, P.L. 207 - POLICE AND FIRE MERIT SYSTEMS

Author: Pressel (R-Rolling Prairie)

Sponsor: Sandlin (R-Indianapolis)

Aim Comments

HEA 1016 automatically opts-in certain communities who do not currently have a merit system for police or fire into having one if they meet certain population and employment parameters. Aim opposed this language. While Aim did not take a position on whether a merit system is the best option for communities, Aim opposed changing how the decision to have a merit system is decided. Under current law, the municipality's legislative body – a city or town council – passes an ordinance to establish a merit system to make important decisions related to hiring, promotions, demotions and disciplinary action or firing.

However, the final version of HEA 1016 automatically opts-in those communities who do not currently have a merit system into having one if they serve a population over 20,000 and have at least 12 full-time police or fire employees. In addition to the automatic opt-in, there is an added hurdle to opt-out. In order to opt-out within the first four years, BOTH the legislative body AND the majority of the full-time public safety officers would have to opt out. This essentially flips the process on its head. Even if a legislative body wanted to keep their current system in place, they couldn't if the public safety group decides not to opt out for the first four years.

Summary of Provisions

- Allows a fire protection district or fire protection territory to establish a merit system.
- Provides that unless a resolution or ordinance to establish a merit system is rejected not later than December 31, 2024, a merit system is established on January 1, 2025, for eligible:
 - (1) city and town police and fire departments and township fire departments; and
 - (2) fire protection districts and fire protection territories.
- Provides that the merit system may be dissolved after January 1, 2025.
- Requires a unit, district, or territory to vote to either retain or dissolve the merit system after January 1, 2029, and before January 31, 2029.
- Repeals a provision containing definitions and moves the definitions to another location.

HEA 1025, P.L. 57 - FIREFIGHTER DISCIPLINE

Author: Torr (R-Carmel)

Sponsor: Sandlin (R-Indianapolis)

Summary of Provisions

- Provides that a fire department of a fire protection district or fire protection territory is subject to certain disciplinary and due process requirements.

HEA 1049, P.L. 60 - TRANSPORTATION MATTERS

Author: Pressel (R-Rolling Prairie)

Sponsor: Crider (R-Greenfield)

Summary of Provisions

- Provides that the department of transportation (department) may accept a proposal and award a contract for the construction, improvement, or maintenance of a road if the lowest responsive and qualified bid is less than \$3,000,000. (Current law says if the lowest responsive and qualified bid is less than \$1,000,000.)
- Provides that the department may accept a proposal and award a contract for the construction, improvement, or maintenance of a road if the lowest responsive and qualified bid is one of three or more bids received by the department for the contract. (Current law says if the lowest responsive and qualified bid is one of four or more bids received by the department for the contract.)
- Authorizes the department to use construction manager general contractor and progressive design-build delivery methods for certain projects. Defines a "bicycle traffic control signal".
- Provides that a person may cautiously enter an intersection and make a left turn if turning from the left lane or a designated left-turn lane of a one-way street into another one-way street with the flow of traffic.
- Provides for the requirements and explanations of colors for bicycle traffic control signals exhibiting colored lights.
- Urges the legislative council to assign certain topics to an existing study committee.
- Makes conforming and technical changes.

HEA 1055, P.L. 122 - PUBLIC SAFETY MATTERS

Author: Frye (R- Greensburg)

Sponsor: Sandlin (R-Indianapolis)

Aim Comments

HEA 1055 removes the ability for towns with a population under 7,500 to have residency requirements for their public safety employees. This was the final step in eliminating the ability for any city or town to require their law enforcement officers or firefighters to reside within the county in which the municipality is located. Supporters of this legislation argued that removing residency requirements will increase hiring options for all communities. Aim continued to oppose these changes and supports the ability for all communities to set their own policies to address their specific public safety needs.

The legislation also includes a provision that allows for the governing board of a nonprofit hospital to expand the jurisdiction of its hospital police department beyond the hospital's property.

Summary of Provisions

- Increases the number of deputies, from two to six, that a town marshal may have to participate in the town marshal training program (Tier II training program) established by the law enforcement training board (board).
- Requires the board to adopt rules establishing a conservancy district marshal basic training program.
- Adds a district marshal or deputy district marshal to certain definitions of "police officer", "officer", or "law enforcement officer".
- Makes changes to certain definitions of "law enforcement officer" to include officers employed by a hospital police department, conservancy district marshals, and deputy conservancy district marshals.
- Defines "district marshal".
- Provides that a conservancy district (district) in which each director of the board has been elected to the board may employ a district marshal or deputy district marshal.
- Provides that the district marshal is the chief police officer of the district and has the powers of other law enforcement officers in enforcing laws.
- Makes changes to the jurisdiction of a hospital police department.
- Provides that a member of a city police or fire department is not subject to residency requirements.
- Eliminates a provision that provides that a city with a population of less than 7,500 may adopt an ordinance that requires a member of a city police or fire department to reside within the county in which the city is located.
- Provides that members of the police and fire departments of a town or special service district are not subject to residency requirements but must:
 - (1) have adequate means of transportation into the jurisdiction served by the member's department; and
 - (2) maintain telephone service to communicate with the department.
- Provides that members of the fire department of a township, fire protection district, or fire protection territory are not subject to residency requirements but must:
 - (1) have adequate means of transportation into the jurisdiction served by the member's department; and
 - (2) maintain telephone service to communicate with the department.
- Repeals provisions:
 - (1) relating to the establishment of residency requirements for a police or fire department of a town with a population of less than 7,500;
 - (2) relating to the establishment of residency requirements for a township fire department of a township with a population of less than 7,500; and
 - (3) that exempt a member of a town police or fire department or a township fire department from residency requirements under certain circumstances.
- Repeals a provision relating to the jurisdiction of hospital police departments.

HEA 1142, P.L. 64 - LAW ENFORCEMENT RECORDINGS

Author: Prescott (R-Union City)

Sponsor: Alexander (R-Muncie)

Summary of Provisions

- Provides that the direct cost that a state or local agency may charge for providing a copy of a law enforcement recording (recording) includes labor costs incurred to:
 - (1) obscure nondisclosable information in the recording; and
 - (2) perform an administrative review of the recording to determine if all nondisclosable information has been obscured.
- Specifies that the costs of reviewing and obscuring nondisclosable electronic data may not exceed reasonable attorney's fees if the actions are performed by an attorney.
- Provides that if a court issues an order for disclosure of a law enforcement recording, any copy of the recording must be made by the public agency.
- Makes a technical correction.

HEA 1186, P.L. 67 - ENCROACHMENT ON AN INVESTIGATION

Author: McNamara (R-Evansville)

Sponsor: Freeman (R-Indianapolis)

Summary of Provisions

- Provides that a person who knowingly or intentionally approaches within 25 feet of a law enforcement officer after the law enforcement officer has ordered the person to stop commits a Class C misdemeanor.
- Specifies that "emergency incident area" may include an area 25 feet in all directions from the perimeter of an emergency incident area. (Under current law, the area is 150 feet).

HEA 1207, P.L. 131 - 911 FEES

Author: Karickhoff (R-Kokomo)

Sponsor: Crider (R-Greenfield)

Summary of Provisions

- Authorizes the statewide 911 board to increase the following fees one time in the period beginning after April 30, 2023, and ending before July 1, 2026:
 - (1) The enhanced prepaid wireless charge.
 - (2) The statewide 911 fee. (Current law allows the board to adopt one time increases to each fee in the period that began after April 1, 2020, and ends before July 1, 2023.)

HEA 1308, P.L. - INDIANA CRIME GUNS TASK FORCE

Author: Carbaugh (R-Fort Wayne)

Sponsor: Busch (R-Fort Wayne)

Summary of Provisions

- Provides that the Indiana crime guns task force area may include Allen County.

HEA 1321, P.L. 139 - PUBLIC SAFETY TRAINING

Author: Garcia-Wilburn (R-Fishers)

Sponsor: Baldwin (R-Noblesville)

Summary of Provisions

- Requires the law enforcement training board to establish minimum standards for basic training and annual inservice training that address the mental health and wellness of law enforcement officers.

- Requires the executive training program to include training in mental health and wellness and suicide prevention of law enforcement officers.
- Provides that the mental health and wellness training may be provided online or by other means of virtual instruction.
- Provides that full-time firefighters' minimum training and annual training requirements must include mental health and wellness training.
- Requires certain persons who provide emergency medical services to obtain mental health and wellness training as a condition of licensure and certification.

HEA 1341, P.L. 78 - PFAS-FREE FIREFIGHTER GEAR

Author: Olthoff (R-Crown Point)

Sponsor: Niemeyer (R-Lowell)

Summary of Provisions

- Provides that, after June 30, 2024, an Indiana fire department may not purchase firefighting gear unless it contains a permanently affixed label indicating whether or not the firefighting gear contains PFAS.

HEA 1492, P.L. 150 - SCHOOL SAFETY

Author: McNamara (R-Evansville)

Sponsor: Crider (R-Greenfield)

Summary of Provisions

- Makes changes to the permissible uses of the Indiana secured school fund.
- Moves provisions in the Indiana Code pertaining to the appointment of a school safety specialist, school safety specialist programs, and school safety plans.
- Makes changes to the Indiana secured school fund application procedures.
- Makes changes to the Indiana secured school fund reporting requirements.
- Makes various changes to provisions regulating the appointment of a school safety specialist, school safety specialist program, and school safety plans.
- Requires before December 31, 2023, that each county shall establish a county school safety commission. (Current law provides that a county may establish a county school safety commission.)
- Requires each school corporation and charter school to establish a safe school committee.
- Requires the division of school building physical security and safety of the department of education to establish and maintain guidelines, in consultation with the department of homeland security and institute for criminal justice, for developing and maintaining school safety plans and assist the secured school safety board in conducting the review and submitting certain reports.
- Provides that the governing body of a school corporation or charter school organizer shall:
 - (1) approve or disapprove all school safety specialists chosen by the superintendent of the school corporation or leadership of the charter school; and
 - (2) review the school safety plan. Makes changes to the duties of a school resource officer.
- Makes changes to information reported by a school corporation or charter school pertaining to a school resource officer that is reported to the department of homeland security.
- Requires the secured schools safety board to include certain aggregate information relating to the number of school resource officers employed by schools.
- Provides that an organizer of a charter school shall require each charter school under the authority of the organizer to conduct annual emergency preparedness drills.
- Makes changes to distribution amounts from the state user fee fund.
- Makes conforming amendments.
- Repeals provisions establishing the Indiana safe schools fund, school safe haven programs, and existing provisions relating to the establishment of school safety specialists, county school safety commissions, school safety specialist training and safe school programs.
- Defines various terms.

- Provides that a school corporation, charter school, or accredited nonpublic school may receive a matching grant from the Indiana secured school fund to purchase student safety management technology.
- Makes a technical correction.

HEA 1578, P.L. 91 - COVERED PERSONS FOR RESTRICTED ADDRESSES

Author: O'Brien (R-Evansville)

Sponsor: Alexander (R-Muncie)

Summary of Provisions

- Provides that a regular, paid firefighter and a volunteer firefighter are "covered persons" under the statute that requires local government units that operate a public data base website containing the names and addresses of property owners to restrict disclosure to the general public of the covered person's home address.
- Removes an obsolete date reference.

HEA 1583, P.L. 92 - HEALTH PLANS AND AMBULANCE SERVICE PROVIDERS

Author: Heaton (R-Terre Haute)

Sponsor: Ford, Jon (R-Terre Haute)

Summary of Provisions

- Amends the law requiring a health plan operator to fairly negotiate rates and terms with any ambulance service provider willing to become a participating provider with respect to the operator's health plan.
- Provides that, if negotiations between an ambulance service provider and a health plan operator that occur after June 30, 2022, do not result in the ambulance service provider becoming a participating provider with respect to the health plan, each party, beginning May 1, 2023, is required to provide to the department of insurance (department) a written notice:
 - (1) reporting the unsuccessful conclusion of the negotiations; and
 - (2) stating the points that were discussed in the negotiations but on which agreement was not reached.
- Requires the department, not later than May 1, 2024, to submit to the legislative council and the interim study committee on public health, behavioral health, and human services a report summarizing the written notices that the department has received from ambulance service providers and health plan operators.

SEA 43, P.L. 18 - RESIDENCY OF 911 OPERATORS

Author: Sandlin (R-Indianapolis)

Sponsor: May (R-Bedford)

Summary of Provisions

- Provides that a public safety agency may not have a residency requirement for the public safety telecommunicators (defined in IC 10-10.5-1-6) that it employs.
- Provides that a public safety agency may not establish or maintain residency requirements for a public safety telecommunicator employed by a public safety agency.

SEA 158, P.L. 28 - DOMESTIC VIOLENCE

Author: Crider (R-Greenfield)

Sponsor: McNamara (R-Evansville)

Summary of Provisions

- Provides that a person arrested for certain crimes committed against a family or household member may not be released on bail for 24 hours.
- Provides that a charge of invasion of privacy is elevated to a Level 6 felony if the person has a prior unrelated criminal stalking conviction.

- Provides that certain crimes are considered a serious violent felony for the purposes of unlawful possession of a firearm by a serious violent felon.

SEA 185, P.L. 102 - 1977 FUND MEMBERSHIP

Author: Baldwin (R-Noblesville)

Sponsor: Torr (R-Carmel)

Summary of Provisions

- Modifies the definition of “salary of a first class patrolman or first class firefighter” for the 1977 police officers’ and firefighters’ pension and disability fund (1977 fund).
- Allows an airport authority to participate in the 1977 fund. Increases the maximum age for a firefighter to be appointed to a fire department and become a member of the 1977 fund from 35 years of age to 39 years of age.
- Makes corresponding changes.

SEA 187, P.L. 173 - PUBLIC SAFETY MATTERS

Author: Sandlin (R-Indianapolis)

Sponsor: Speedy (R-Indianapolis)

Summary of Provisions

- Provides that a unit shall provide by ordinance the number of police reserve officers a law enforcement agency may appoint.
- Provides that the law enforcement training board may revoke, suspend, modify, or restrict a document showing compliance and qualifications for a unit’s police reserve officer who has committed misconduct.
- Provides that a law enforcement agency hiring a police reserve officer must contact every other law enforcement agency that employed (or employs) the applicant and request the applicant’s employment file and disciplinary record.
- Provides that a special law enforcement officer employed by the city of Indianapolis full time after June 30, 2023, to perform park ranger duties (park ranger) is subject to the same training requirements as regular law enforcement officers.
- Provides that the facilities of the Indiana law enforcement academy must be used to provide a park ranger with the required basic training.

SEA 277, P.L. 107 - FIRE PROTECTION

Author: Freeman (R-Indianapolis)

Sponsor: Speedy (R-Indianapolis)

Summary of Provisions

- Provides that an individual who is certified as a fire inspector may conduct a fire inspection.
- Provides that an individual who is certified as a fire inspector and not an employee of the fire department may conduct a fire inspection after completing additional requirements.
- Requires a structure constructed or initially converted or remodeled after June 30, 2023, for use as an animal facility to have a fire alarm system or staff on duty any time a dog or cat is present on the premises.
- Authorizes periodic local or state fire inspections to determine compliance.

SEA 445, P.L. 9 - ELECTRONIC MONITORING STANDARDS

Author: Walker, K. (R-Lawrence)

Sponsor: McNamara (R-Evansville)

Summary of Provisions

- Permits the justice reinvestment advisory council to develop electronic monitoring standards and to submit an annual report as to the standards.

- Permits the justice reinvestment advisory council to conduct a workload study of electronic monitoring and home detention, make certain findings, and submit a report to the legislative council not later than July 1, 2025.
- Provides that a contract employee of a supervising agency is required to notify the supervising agency of certain actions with respect to a tracked individual not later than 12 hours after the action occurs.
- Requires this notification to be sent within 15 minutes if the tracked individual is serving a sentence for a crime of violence or a crime of domestic or sexual violence, and additionally requires the supervising agency to notify a vulnerable victim and request law enforcement to perform a welfare check, if there is a vulnerable victim.
- Specifies that a supervising agency must include in a quarterly report the number of tracked individuals who are on parole supervision and the number of false location alerts, device malfunctions, or both.
- Provides that a local supervising agency shall report directly to the local justice reinvestment advisory council each quarter, and that the division of parole services shall report to the statewide justice reinvestment advisory council each quarter.
- Requires the statewide justice reinvestment advisory council to transmit an annual electronic report to the legislative council and to the judicial conference of Indiana not later than March 15 of each year.



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HEA 1167, P.L. 127 - LIVE STREAMING AND ARCHIVING MEETINGS

Author: Smaltz (R-Auburn)

Sponsor: Buck (R-Kokomo)

Aim Comments

As introduced, HB 1167 would have required all local governing bodies to livestream and archive their meetings. Aim opposed the introduced version of the bill because most communities do not have full-time IT departments and several meetings of boards and commissions are not staffed by a full-time employee.

HEA 1167 was amended to be effective beginning July 1, 2025 and applies to the executive (as defined in IC 36-1-2-5), legislative body (as defined in IC 36-1-2-9), or fiscal body (IC 36-1-2-6) of a county, city, town or township and any governing body that conducts the governing body's regular meetings in the same meeting room as the executive, legislative or fiscal body. The rationale was that if there is technology available in the room, other governing bodies should also be able to livestream their meetings if they use that same room. Archives of the meeting must be kept for 90 days after the meeting and made available for public inspection and copying or downloading before they can be destroyed.

Aim will continue to work with members of the General Assembly leading up to the 2025 effective date. While the goal of local units is to provide transparency, there must be a balance that recognizes the additional resources that are needed to accomplish that goal.

Summary of Provisions

- Requires governing bodies of state and local agencies (excluding a state supported college or university) to provide, on a publicly accessible platform:
 - (1) live transmissions of public meetings; and
 - (2) an archive of copies of the live transmissions with links to any meeting agendas, minutes, or memoranda.
- Provides that if a governing body does not have Internet capability for live transmission of public meetings, the governing body shall record the meeting.
- Provides that transmissions and recordings of public meetings may be destroyed after 90 days.

HEA 1173, P.L. 217 - UTILITY SCALE BATTERY ENERGY STORAGE SYSTEMS

Author: Pressel (R-Rolling Prairie)

Sponsor: Koch (R-Bedford)

Summary of Provisions

- Provides that a person may not:
 - (1) construct a new utility scale battery energy storage system (BESS); or
 - (2) expand the capacity of an existing BESS by more than 10% of the system's original capacity; without the prior approval of the department of homeland security (department).
- Sets forth information that must be included in an application to the department for approval of the construction or expansion of a BESS.
- Provides that:
 - (1) a BESS for which installation is subject to department approval; and
 - (2) an installation added to an existing BESS in an expansion for which department approval is required; must comply with the National Fire Protection Association's standard concerning stationary energy storage systems (NFPA 855).
- Provides that the total capacity of the batteries contained within a single enclosure in:
 - (1) a BESS for which installation is subject to department approval; and
 - (2) an installation added to an existing BESS in an expansion for which department approval is required; may not exceed 10 megawatt hours unless authorized under rules adopted by the fire prevention and building safety commission (commission).

- Provides that if a BESS installed after June 30, 2023, is located less than 1/2 mile from the nearest 100 year flood plain, all of the system's equipment must be located at least two feet above the 100 year frequency flood elevation.
- Requires the operator of a BESS to:
 - (1) provide a copy of the operator's emergency response plan for the BESS; and
 - (2) offer training to enable effective response to a fire or contaminant discharge at the BESS; to the fire department responsible for providing fire protection services in the area in which the BESS is located.
- Authorizes the commission to adopt rules to specify standards for the installation and operation of a BESS.
- Provides that the commission's rules:
 - (1) must be consistent with NFPA 855; and
 - (2) must include standards for:
 - (A) chemical spill prevention and control; and
 - (B) appropriate setbacks from surface water resources.
- Requires the department to issue to the interim study committee on energy, utilities, and telecommunication, not later than November 1, 2023, a report regarding the progress of the commission in adopting rules addressing the installation and operation of a BESS.

HEA 1266, P.L. 223 - CYBER CIVILIAN CORPS PROGRAM ADVISORY BOARD

Author: Judy (R-Fort Wayne)

Sponsor: Zay (R-Huntington)

Summary of Provisions

- Establishes the Indiana cyber civilian corps program advisory board (board).
- Provides for the membership of the board.
- Requires the adjutant general to provide staff support for the board.
- Requires the board to provide findings and recommendations concerning the establishment of an Indiana cyber civilian corps program to the legislative council.

HEA 1401, P.L. 144 - ASSESSMENT OF WIND POWER DEVICES

Author: Negele (R-Attica)

Sponsor: Leising (R-Oldenburg)

Summary of Provisions

- Requires a public utility company that owns or operates a wind power device after a change in ownership of the wind power device to report, when filing its first statement of value and description of property with the department of local government finance (department), the valuation of the device at the same valuation amount that the previous owner reported on the previous owner's last annual report before the change in ownership if the valuation amount that the acquiring public utility company would otherwise enter on its first report is lower than the valuation amount at which the previous owner valued the wind power device before the change in ownership.
- Requires the new owner, for years subsequent to the first year after the change in ownership, to calculate and report the valuation of the wind power device in accordance with:
 - (1) the statute concerning the taxation of public utility companies; and
 - (2) rules prescribed by the department.
- Provides that for any year subsequent to the first year after the change in ownership of a wind power device, the department, in determining the just value of the property, shall not consider valuations determined by another governmental agency.
- Provides that these requirements do not apply to a public utility company that owns or operates one or more wind power devices and that has signed or countersigned an economic development agreement, or another financial agreement, that is entered into:

- (1) with the county in which the public utility company's wind power devices are located; and
 - (2) for the purpose of repowering, or upgrading the technology used in, the wind power devices; before a sale or transfer of the wind power devices.
- Requires the department to make necessary conforming changes to the annual report form. Requires the Indiana utility regulatory commission to include a provision in an order declining to exercise jurisdiction over a public utility company that:
 - (1) owns or operates one or more wind power devices; or
 - (2) plans to own or operate one or more wind power devices; requiring the public utility to notify the department of any change in ownership of the wind power devices.
- Requires that before November 1, 2024, and before November 1, 2025, the department shall prepare, submit in an electronic format, and present a report on:
 - (1) the valuation of wind power devices; and
 - (2) the department's progress in implementing the bill's provisions; to the interim study committee on energy, utilities, and telecommunications.
- Amends the Indiana Code provision that sets forth how the department is to determine the just value of the property of a public utility company to provide an exception from the specified procedures with respect to the determination of the just value of wind power devices.

HEA 1438, P.L. 84 - PUBLICATION OF LOCAL GOVERNMENT NOTICES

Author: Miller (R-Elkhart)

Sponsor: Doriot (R-Goshen)

Aim Comments

Aim continues to support modernizing how public notices can be published. Under current law, municipalities are required to publish newspaper notices in two newspapers with a circulation of at least 200. This can be expensive for local units and papers cannot always deliver notices in a timely manner that can be easily accessed by constituents. During the 2021 legislative session, SEA 332 passed which still required initial notices to be published in a newspaper but allowed additional notices to be published on a municipality's website. Aim supported this increased flexibility but continues to support allowing local units to post all notices online. The introduced version of HEA 1438 would have allowed this but it was turned into a summer study committee to explore the topic further.

Summary of Provisions

- Provides that a towing service is subject to the same public notice advertising rates as a government agency if the service:
 - (1) acts as an agent of a government agency; and
 - (2) provides the notice required to dispose of abandoned vehicles or parts.
- Provides for the creation of a public notice task force (task force) to study notice publication statutes for the purpose of streamlining the process and maximizing value to Indiana citizens.
- Provides the following:
 - (1) The task force must publish a report with its determinations and recommendations for legislation not later than December 1, 2023.
 - (2) The task force expires December 31, 2023.

SEA 271, P.L. 105 - CERTIFIED TECHNOLOGY PARKS

Author: Buchanan (R-Lebanon)

Sponsor: Snow (R-Warsaw)

Summary of Provisions

- Specifies additional information that a certified technology park (park) is required to provide to the Indiana economic development corporation (corporation) in the course of a review.
- Provides that if a park has reached the limit on deposits and maintains its certification, the park shall become a Level 2 park.

- Increases, from \$100,000 to \$250,000, the annual additional incremental income tax deposit amount that a park captures once it has reached its limit on deposits.
- Clarifies the calculation of the additional incremental income tax deposit amount in the year in which a park reaches its limit on deposits.
- Provides that when the corporation certifies a Level 2 park, the corporation shall make a determination of whether the park shall continue to be designated as a Level 2 park.
- Requires the corporation to report to the budget committee certain information pertaining to businesses located in each park on a biennial basis.

SEA 390, P.L. 50 - COMMERCIAL SOLAR AND WIND ENERGY READY COMMUNITIES

Author: Messmer (R-Jasper)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Provides that the commercial solar and wind energy ready communities development center (center) may be established within the Indiana office of energy development (office).
- Provides that the center, if established, shall:
 - (1) provide comprehensive, easily accessible information concerning permits required for commercial solar projects and wind power projects; and
 - (2) work with permit authorities concerning those projects.
- Requires the center to create and administer a program to certify counties and municipalities as commercial solar energy ready communities and wind energy ready communities.
- Requires the office to certify a county or municipality as a commercial solar energy ready community or a wind energy ready community if the county or municipality meets certain requirements, including the adoption of a commercial solar regulation or wind power regulation that includes standards that are not more restrictive than the default standards established by Indiana law.
- Provides that a commercial solar and wind energy ready communities incentive fund (fund) may be established by the office.
- Provides that if:
 - (1) a county or municipality receives certification as a commercial solar energy ready community or a wind energy ready community;
 - (2) a project owner constructs a commercial solar project or wind power project in the county or municipality;
 - (3) the fund is established; and
 - (4) there is a sufficient balance in the fund; the office may authorize the county or municipality to receive from the fund, for a period of 10 years, \$1 per megawatt hour of electricity generated by the commercial solar project or wind power project.



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HEA 1001, P.L. 202 - STATE BUDGET

Author: Thompson (R-Lizton)

Sponsor: Mishler (R-Mishawaka)

Aim Comments

A full summary of HEA 1001, P.L. 202 – State Budget, in Administrative Chapter of this Budget Bulletin. There are several provisions in the budget specifically related to utilities:

Summary of Provisions

- Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes.
- Provides that the regional economic acceleration and development initiative program expires June 30, 2026.
- Creates the residential water testing fund to test the water supply of an individual property owner of an eligible township.
-
- Amends a statute concerning powers and duties of a regional water, sewage, or solid waste district established under prior law.
- Establishes the regional economic acceleration and development initiative 2.0 fund (READI 2.0).
- Requires the IEDC to develop a policy for a READI 2.0 program. Provides that money in the READI 2.0 fund may be used to:
 - (1) support the IEDC's READI 2.0 program; and
 - (2) provide grants or loans to support proposals for economic development and regional economic acceleration and development.

HEA 1173, P.L. 217 - UTILITY SCALE BATTERY ENERGY STORAGE SYSTEMS

Author: Pressel (R-Rolling Prairie)

Sponsor: Koch (R-Bedford)

Summary of Provisions

- Provides that a person may not:
 - (1) construct a new utility scale battery energy storage system (BESS); or
 - (2) expand the capacity of an existing BESS by more than 10% of the system's original capacity; without the prior approval of the department of homeland security (department).
- Sets forth information that must be included in an application to the department for approval of the construction or expansion of a BESS.
- Provides that:
 - (1) a BESS for which installation is subject to department approval; and
 - (2) an installation added to an existing BESS in an expansion for which department approval is required; must comply with the National Fire Protection Association's standard concerning stationary energy storage systems (NFPA 855).
- Provides that the total capacity of the batteries contained within a single enclosure in:
 - (1) a BESS for which installation is subject to department approval; and
 - (2) an installation added to an existing BESS in an expansion for which department approval is required; may not exceed 10 megawatt hours unless authorized under rules adopted by the fire prevention and building safety commission (commission).
- Provides that if a BESS installed after June 30, 2023, is located less than 1/2 mile from the nearest 100 year flood plain, all of the system's equipment must be located at least two feet above the 100 year frequency flood elevation.
- Requires the operator of a BESS to:
 - (1) provide a copy of the operator's emergency response plan for the BESS; and

- (2) offer training to enable effective response to a fire or contaminant discharge at the BESS; to the fire department responsible for providing fire protection services in the area in which the BESS is located.
- Authorizes the commission to adopt rules to specify standards for the installation and operation of a BESS.
- Provides that the commission's rules:
 - (1) must be consistent with NFPA 855; and
 - (2) must include standards for:
 - (A) chemical spill prevention and control; and
 - (B) appropriate setbacks from surface water resources.
- Requires the department to issue to the interim study committee on energy, utilities, and telecommunication, not later than November 1, 2023, a report regarding the progress of the commission in adopting rules addressing the installation and operation of a BESS.

HEA 1316, P.L. 224 - IFA APPROVAL AND REVOLVING LOAN PROGRAMS

Author: Miller (R-Elkhart)

Sponsor: Charbonneau (R-Valparaiso)

Summary of Provisions

- Provides that a participant may issue and sell bonds to the Indiana finance authority (authority) without the requirement of an increase to the user rates and charges of the participant.
- Provides that the bonds must be issued under a resolution or ordinance and the proceeds must be used to carry out the purposes allowed by the program.
- Defines the term "independent evaluator" for purposes of non-revenue water audits.
- Requires a water utility to annually perform an audit of its water distribution system through the use of the latest version of the American Water Works Association's free water audit software or other methodology software to determine the causes of the water utility's non-revenue water.
- Provides that the issuance, by the ports of Indiana, of both taxable and tax exempt revenue bonds of the state, payable solely from revenues for the purpose of paying all or any part of the cost of a port or project, is subject to the prior approval of the authority.
- Provides for the appointment of a nine member board of directors of the Indiana Secondary Market for Education Loans, Inc. (ISMEL).
- Provides that ISMEL may only borrow money after consulting with the authority not less than three months before ISMEL begins the process of borrowing money.
- Requires ISMEL to, at least 30 days prior to the issuance or placement of any bond, note, or other instrument, report to the budget committee the estimated amount of the bonds.

HEA 1401, P.L. 144 - ASSESSMENT OF WIND POWER DEVICES

Author: Negele (R-Attica)

Sponsor: Leising (R-Oldenburg)

Summary of Provisions

- Requires a public utility company that owns or operates a wind power device after a change in ownership of the wind power device to report, when filing its first statement of value and description of property with the department of local government finance (department), the valuation of the device at the same valuation amount that the previous owner reported on the previous owner's last annual report before the change in ownership if the valuation amount that the acquiring public utility company would otherwise enter on its first report is lower than the valuation amount at which the previous owner valued the wind power device before the change in ownership.
- Requires the new owner, for years subsequent to the first year after the change in ownership, to calculate and report the valuation of the wind power device in accordance with:
 - (1) the statute concerning the taxation of public utility companies; and
 - (2) rules prescribed by the department.

- Provides that for any year subsequent to the first year after the change in ownership of a wind power device, the department, in determining the just value of the property, shall not consider valuations determined by another governmental agency.
- Provides that these requirements do not apply to a public utility company that owns or operates one or more wind power devices and that has signed or countersigned an economic development agreement, or another financial agreement, that is entered into:
 - (1) with the county in which the public utility company's wind power devices are located; and
 - (2) for the purpose of repowering, or upgrading the technology used in, the wind power devices; before a sale or transfer of the wind power devices.
- Requires the department to make necessary conforming changes to the annual report form. Requires the Indiana utility regulatory commission to include a provision in an order declining to exercise jurisdiction over a public utility company that:
 - (1) owns or operates one or more wind power devices; or
 - (2) plans to own or operate one or more wind power devices; requiring the public utility to notify the department of any change in ownership of the wind power devices.
- Requires that before November 1, 2024, and before November 1, 2025, the department shall prepare, submit in an electronic format, and present a report on:
 - (1) the valuation of wind power devices; and
 - (2) the department's progress in implementing the bill's provisions; to the interim study committee on energy, utilities, and telecommunications.
- Amends the Indiana Code provision that sets forth how the department is to determine the just value of the property of a public utility company to provide an exception from the specified procedures with respect to the determination of the just value of wind power devices.

HEA 1417, P.L. 81 - UTILITY DEFERRED COSTS AND ACCOUNTING PRACTICES

Author: Soliday (R-Valparaiso)

Sponsor: Koch (R-Bedford)

Summary of Provisions

- Amends the Indiana Code provision concerning a system of accounting for public utilities to provide the following:
 - (1) That a public utility, municipally owned utility, or not-for-profit utility may defer for consideration by the Indiana utility regulatory commission (IURC) and for future recovery costs incurred or to be incurred in a regulatory asset, to the extent that the specific costs are incremental and are not otherwise already included for recovery in the utility's rates.
 - (2) That preapproval of the IURC is not required for the creation of a regulatory asset.
 - (3) That a public utility, municipally owned utility, or not-for-profit utility may recover through the utility's rates over a reasonable period, as determined by the IURC, costs that are:
 - (A) deferred under these provisions; and
 - (B) found to be reasonable and prudent by the IURC.
- Amends the Indiana Code provision concerning a public utility's depreciation account and depreciation rates to provide the following:
 - (1) That depreciation rates shall be calculated to recover a reasonable estimate of the future cost of removing retired assets of the public utility.
 - (2) That in a proceeding in which the costs of a capital asset are being recognized for ratemaking purposes, a public utility may account for any asset retirement obligations and recover, through rates charged to customers, reasonably and prudently incurred costs associated with asset retirement obligations, to the extent the specific asset retirement obligation costs are incremental and have not been included in depreciation rates.
 - (3) That the IURC shall make changes in a public utility's depreciation rates as necessary to reflect changes in:
 - (A) the public utility's estimated asset retirement costs, including all reasonable and prudent costs of removing retired assets; and
 - (B) the estimated retirement dates of the public utility's assets.

- Amends the Indiana Code chapter concerning federally mandated requirements for energy utilities to specify that recovery of the 80% of IURC-approved federally mandated costs that an energy utility may recover through a rate adjustment mechanism must commence no earlier than:
 - (1) the date of a final agency action regarding the federally mandated requirement; or
 - (2) in the absence of a final agency action, the date on which the federally mandated requirement becomes effective.

HEA 1418, P.L. 82 - ANNEXATION OF RESIDENTIAL DEVELOPMENTS

Author: Soliday (R-Valparaiso)

Sponsor: Charbonneau (R-Valparaiso)

Summary of Provisions

- Permits a third class city to annex an area that is a proposed residential development in which not all lots have been platted or dwellings have been constructed.
- Expands the area outside the city in which the annexation can occur from three miles to 4.5 miles.

HEA 1420, P.L. 145 - ELECTRIC TRANSMISSION FACILITIES

Author: Soliday (R-Valparaiso)

Sponsor: Koch (R-Bedford)

Summary of Provisions

- Amends the chapter in the Indiana Code concerning electric transmission facilities as follows:
 - (1) Specifies that the term “electric transmission facility” does not include a line installed solely for the purpose of connecting an electric generation facility to facilities owned by a public utility.
 - (2) Repeals the definition of “local reliability electric transmission facility” and makes conforming changes.
 - (3) Amends the provisions concerning an incumbent electric transmission owner’s right of first refusal to construct, own, operate, and maintain certain electric transmission facilities, or upgrades to certain electric transmission facilities, as follows:
 - (A) Specifies that the right of first refusal applies with respect to:
 - (i) the construction; or
 - (ii) upgrades;
 of electric transmission facilities if the construction or upgrades have been approved through a regional transmission organization (RTO) planning process.
 - (B) Provides that if an electric transmission facility has been approved for construction through an RTO planning process:
 - (i) each incumbent electric transmission owner that has a right to construct, own, operate, and maintain the electric transmission facility shall give written notice to the Indiana Utility Regulatory Commission (IURC), not later than 90 days after the construction is approved, regarding the incumbent electric transmission owner’s intent to construct, own, operate, and maintain the approved electric transmission facility; and
 - (ii) if an incumbent electric transmission owner gives notice of intent not to construct the approved electric transmission facility, another entity may seek to construct the approved electric transmission facility in accordance with the RTO planning process and the bill’s provisions.
 - (C) Provides that if an incumbent electric transmission owner gives to the IURC during a calendar year notice of its intent to construct, own, operate, and maintain an approved electric transmission facility, the incumbent electric transmission owner shall, not later than May 1 of the subsequent calendar year, provide the IURC with certain specified information.

- (D) Provides that an incumbent electric transmission owner that exercises its right to construct an approved electric transmission facility must, to the extent commercially practicable, use competitively bid engineering, procurement, or construction contracts that meet the specifications required by the incumbent electric transmission owner with respect to the facility.

HEA 1421, P.L. 83 - ENERGY PRODUCTION AND RESOURCES

Author: Soliday (R-Valparaiso)

Sponsor: Koch (R-Bedford)

Summary of Provisions

- Requires the Indiana utility regulatory commission (IURC) to issue an order granting or denying an application for a certificate of public convenience and necessity (certificate) not later than 240 days after the filing of the application and the submission of the applicant's case in chief.
- Authorizes the IURC to issue a general administrative order establishing guidelines regarding the information to be included in an applicant's case in chief.
- Amends the statute providing certain financial incentives for energy utilities in connection with clean energy projects as follows:
 - (1) Provides that a "clean energy project" includes a project to construct or repower, after July 1, 2011, a natural gas facility to displace electricity generation from an existing coal fired generation facility.
 - (2) Provides that an "eligible business" for purposes of eligibility for incentives authorized under the statute includes a joint agency created under the Indiana Code chapter authorizing municipal electric utility programs.
 - (3) Provides (through an amendment to a cross-referenced definition in the Indiana Code chapter governing the Indiana voluntary clean energy portfolio standard program) that for purposes of a clean energy project involving a renewable energy resource project, a "renewable energy resource" includes gas that is derived from the decomposition of organic matter and that:
 - (A) is fully interchangeable with; or
 - (B) can be combined with; conventional natural gas for purposes of generating electricity.
 - (4) Provides that the IURC may provide an incentive under the statute for a project that the IURC finds to be just and reasonable (rather than "reasonable and necessary" under current law).
 - (5) Provides that the IURC may not approve the timely recovery of costs and expenses incurred during the construction and operation of a project unless the IURC finds that recovery of the costs and expenses:
 - (A) is just and reasonable; and
 - (B) will result in a gross financing costs savings over the life of the project.
 - (6) Eliminates the incentive authorizing up to three percentage points on the return on shareholder equity that would otherwise be allowed to be earned on certain clean energy projects.
 - (7) Amends the language prescribing the time frame within which the IURC must issue a determination as to a project's eligibility for the available financial incentives to require the IURC to issue the determination not later than:
 - (A) 120 days after the date of the application; or
 - (B) the time frame prescribed in the bill for the IURC to grant or deny a certificate if a certificate is required for the project.
- Provides, for purposes of the oil and gas law (which requires the natural resources commission to adopt rules to prevent waste and prohibits actions in the extraction of coal bed methane that would waste commercially minable coal resources), that the term "waste" does not include capturing and destroying coal bed methane for a commercial purpose, including the generation of carbon credits.

HEA 1639, P.L. 249 - WATERSHED DEVELOPMENT COMMISSIONS

Author: Aylesworth (R-Hebron)

Sponsor: Glick (R-LaGrange)

Summary of Provisions

- Provides that the executives of one or more counties may adopt ordinances designating their counties as members of a proposed watershed development commission and that the proposed watershed development commission is established as a legal entity with the counties as its members if it is recognized by the natural resources commission.
- Allows a watershed development commission to be established for certain flood damage reduction, drainage, storm water management, recreation, and water infrastructure purposes, but provides that “water infrastructure purposes” excludes any drinking water project in a county or municipality.
- Requires the natural resources commission, in deciding whether to recognize a proposed watershed development commission, to answer certain questions.
- Provides that a nonmember county may become a member of an established watershed development commission if its membership is accepted by the member counties and recognized by the natural resources commission.
- Requires the department of natural resources (department), with the approval of the natural resources commission, to certify the area of a member county that is within a watershed development commission’s designated watershed.
- Provides that a watershed development commission may also have water quality purposes if its board develops a water quality improvement plan that is approved by the natural resources commission.
- Specifies that a water quality purpose, goal, project, or interstate agreement does not convey water quality regulatory authority to a watershed development commission.
- Provides for a watershed development commission to be governed by a board that includes:
 - (1) the director of the department or the director’s designee;
 - (2) the county surveyor of each county that is a member of the commission and is entitled to membership on the board;
 - (3) an individual other than the county surveyor representing each county that is a member of the commission and is entitled to membership on the board; and
 - (4) either:
 - (A) one individual appointed to represent each second class city that is located in a participating county and within the designated watershed of the watershed development commission; or
 - (B) if a participating county does not include a second class city that is located within the designated watershed of the watershed development commission, one individual appointed to represent the municipality that has the largest population of all municipalities that are located in the participating county and within the designated watershed of the watershed development commission.
- Requires a watershed development commission to develop a flood damage reduction and drainage plan for its designated watershed.
- Grants a watershed development commission exclusive authority to perform drainage and flood damage reduction activities within the channel of the river that is the surface water outlet of its designated watershed.
- Authorizes a watershed development commission to enter into an interlocal cooperation agreement with an existing local governmental authority to apportion flood damage reduction authority and financial support between the two entities.
- Provides for the funding of a watershed development commission through an annual special assessment that may be imposed against each taxable parcel of real property located:
 - (1) in a member county; and
 - (2) within the designated watershed of the watershed development commission.
- Establishes maximum assessment levels and allows the board of a watershed development commission to reduce the special assessment to lower levels.
- Authorizes a member county to adopt any of three alternative methods of funding the watershed development commission.

- Prohibits the use of money collected from a special assessment for highway bridge repairs or reconstruction.
- Authorizes a watershed development commission to give preference to an Indiana business over an out-of-state business in contracting for public works.
- Establishes a procedure under which the Maumee River basin commission, the St. Joseph River basin commission, or the Upper Wabash River basin commission may be transformed into a watershed development commission.
- Provides that if the St. Joseph River basin commission is transformed into a watershed development commission, the members of the St. Joseph River basin commission become the first members of the St. Joseph River watershed development commission's advisory committee.

SEA 114, P.L. 5 - RECEIVERSHIP FOR PAST DUE UTILITY BILLS

Author: Koch (R-Bedford)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Amends the Indiana Code provision that sets forth the cases in which a receiver may be appointed by a court to include the appointment of a receiver upon the request of a utility if the owner of a multifamily residential property with more than four units has incurred utility bills that are at least:
 - (1) 90 days past due; or
 - (2) 60 days past due if a payment plan has been entered into.

SEA 180, P.L. 100 - ALLOCATION OF WASTEWATER UTILITY COSTS

Author: Koch (R-Bedford)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Allows a utility company that:
 - (1) provides both water and wastewater service; and
 - (2) has acquired wastewater utility property;
- to request, in the context of a petition by the utility company to the Indiana utility regulatory commission (IURC) for preapproval of a plan for proposed service enhancement improvements to the utility company's wastewater utility property, authorization from the IURC to allocate a portion of the eligible costs of the utility company's wastewater utility property to the utility company's water customers.
- Provides that if the petition includes such a request for an allocation of costs, the utility company shall provide a copy of:
 - (1) the petition; and
 - (2) the utility company's case in chief; to each intervenor in the utility company's last general rate case.
- Provides that the IURC may approve the request if the IURC finds that:
 - (1) because of reasonable and necessary improvements that are proposed for the wastewater utility property, the resulting rates charged to wastewater customers would reach levels necessitating the provision of financial assistance to those customers;
 - (2) the total rates charged by the utility company for water service will not increase unreasonably as a result of the allocation;
 - (3) the utility company has included information in its proposal regarding the availability of grants or low interest loans and whether the utility company considered using grants or low interest loans to help finance or reduce the cost of the service enhancement improvements; and
 - (4) the utility company has developed an asset management program.
- Provides that an increase in the total rates charged for water service by the utility company as a result of the allocation is not unreasonable to the extent the allocation results in an increase in authorized total revenues of 2% or less.

- Provides that if the IURC approves a utility company's request for an allocation of costs, the utility company shall include a notice on or with water customer monthly bills specifying the amount of the service enhancement improvement adjustment rider approved by the commission that recovers necessary wastewater utility improvements.

SEA 298, P.L. 39 - UTILITY INFRASTRUCTURE IMPROVEMENT CHARGES

Author: Koch (R-Bedford)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Amends the statute governing infrastructure improvement charges for water or wastewater utilities as follows:
 - (1) Provides that in the case of a municipally owned utility or a not-for-profit utility, the adjustment amount to an eligible utility's basic rates and charges for the recovery of infrastructure improvement costs shall be recovered over a 12 month period, regardless of the amount of time over which the infrastructure improvement costs were incurred.
 - (2) Provides that a utility may not recover through an infrastructure improvement charge any infrastructure improvement costs that are recovered by the utility through contributions in aid of construction.
 - (3) Provides that when an eligible utility files a petition for an adjustment amount with the Indiana utility regulatory commission (IURC), the office of utility consumer counselor (OUCC) may examine information of the eligible utility, limited to confirming:
 - (A) that the infrastructure improvements for which recovery is sought are eligible for cost recovery under the statute; and
 - (B) the proper calculation of the proposed adjustment amount. (Existing law provides that the OUCC may examine the information of an eligible utility to confirm these matters, but does not specify that the OUCC's examination is limited to the confirmation of these matters.)
 - (4) Provides that if the IURC finds that an eligible utility's proposed adjustment amount has not been calculated correctly, the IURC shall:
 - (A) provide the correct calculation of the adjustment amount; and
 - (B) allow the eligible utility to implement the corrected adjustment amount.
 - (5) Amends the factors that the IURC may consider in determining the amount of allowable recovery of infrastructure improvement costs for a municipally owned utility or a not-for-profit utility to provide that the IURC may consider other expenses that the IURC considers appropriate, including money for the payment of any taxes that may be assessed against:
 - (A) a municipally owned utility; or
 - (B) a not-for-profit utility or its property; as applicable.
 - (6) Specifies that in the case of a municipally owned utility or not-for-profit utility, the statute's cap limiting total adjustment revenues to 10% of an eligible utility's approved base revenue level applies over the course of each 12 month recovery period.
 - (7) Amends the statute's provisions requiring an eligible utility to reconcile the difference between adjustment revenues and infrastructure improvement costs as follows:
 - (A) Specifies that the reconciliation must occur at the end of each 12 month recovery period.
 - (B) Provides that in the case of a municipally owned utility or a not-for-profit utility, the adjustment amount shall be reset to zero after all previously approved infrastructure improvement costs have been collected.

SEA 374, P.L. 8 - REGIONAL WATER, SEWAGE, OR SOLID WASTE DISTRICTS

Author: Koch (R-Bedford)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Increases the maximum amount that may be paid to a member of the board of trustees of a regional water, sewage, or solid waste district from \$50 to \$150 per day.
- Removes a provision that allows for the payment of not more than \$125 per day to members of the board of trustees of a regional water and sewage district that meets certain requirements.

SEA 390, P.L. 50 - COMMERCIAL SOLAR AND WIND ENERGY READY COMMUNITIES

Author: Messmer (R-Jasper)

Sponsor: Soliday (R-Valparaiso)

Summary of Provisions

- Provides that the commercial solar and wind energy ready communities development center (center) may be established within the Indiana office of energy development (office).
- Provides that the center, if established, shall:
 - (1) provide comprehensive, easily accessible information concerning permits required for commercial solar projects and wind power projects; and
 - (2) work with permit authorities concerning those projects.
- Requires the center to create and administer a program to certify counties and municipalities as commercial solar energy ready communities and wind energy ready communities.
- Requires the office to certify a county or municipality as a commercial solar energy ready community or a wind energy ready community if the county or municipality meets certain requirements, including the adoption of a commercial solar regulation or wind power regulation that includes standards that are not more restrictive than the default standards established by Indiana law.
- Provides that a commercial solar and wind energy ready communities incentive fund (fund) may be established by the office.
- Provides that if:
 - (1) a county or municipality receives certification as a commercial solar energy ready community or a wind energy ready community;
 - (2) a project owner constructs a commercial solar project or wind power project in the county or municipality;
 - (3) the fund is established; and
 - (4) there is a sufficient balance in the fund; the office may authorize the county or municipality to receive from the fund, for a period of 10 years, \$1 per megawatt hour of electricity generated by the commercial solar project or wind power project.



The purpose of Aim shall be to foster, promote and advocate for the success of Hoosier Municipalities as laboratories of innovation, hubs of talent, and the engines driving our state's economy.

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