

**aim**

Accelerate  
Indiana  
Municipalities



**2026**  
**STATEHOUSE**  
**REPORT**

## Session Overview

The 2026 legislative session started early at the beginning of December, 2025, when the General Assembly considered mid-cycle redistricting of Indiana's congressional districts. Though the redistricting efforts did not move forward, it led to a truncated regular session where the majority of the work was conducted in the first eight weeks of 2026. This session was already a short session, made shorter by the early start in December, which meant there was less time to deal with normal legislative issues. However, this did not prevent significant legislation from moving forward. Legislation focused on housing affordability, welfare and Medicaid reform, energy affordability, and clean-up work from the property and local income tax rewrite from SEA 1 in 2025.

Housing affordability was a top priority for the Governor and the House Republican caucus. HEA 1001 was introduced with broad preemptions to local planning and zoning authority around residential development designed to require higher density development and lower costs for developers. Those items, in turn, aimed to provide lower costs for homebuyers. The original draft of the legislation would have also severely curtailed the use of impact fees to fund development. Aim and other local government stakeholders engaged proactively with legislative leadership to remove the elements of the bill that severely restricted local control and replaced many provisions with locally-driven approaches to encourage density and increase housing development. Additionally, HEA 1001 reexamines certain financial incentives like the RIF fund and residential TIF and reducing the burden of certain environmental regulations that can increase housing costs.

Local units of government continue to face the effects of SEA 1 from 2025 as it impacts their current property tax collections and their long-term planning for local income taxes. Aim convened a working group over the 2025 interim to evaluate these effects and produce focused recommendations for this very short session.

HEA 1210, the Department of Local Government Finance (DLGF) bill, incorporated several of these recommendations, including delaying the implementation of the new local income tax system until 2029 to give the General Assembly more time to reevaluate how the rates are allocated to different unit types, allowing all cities and towns to opt into a county-wide rate, providing more flexibility on how the fire/EMS rate is distributed, and creating a framework for county-wide local income tax planning meetings, called M.U.S.T. (municipal unit strategic taskforce). The M.U.S.T meetings can be used as platforms for planning county-wide rates and recommending changes with the new LIT statute to the General Assembly to meet local needs. While progress was made this legislative session, there is more work needed moving forward, including removing the annual adoption of the local income tax rate, how the rates are split up between units of government, how to practically implement the new local income tax system, and considering the long-term impact of the business personal property tax reductions.

HEA 1210 also contained a long-standing Aim initiative to modernize the public notice statute. Starting in 2028, units will be able to satisfy their legal public notice requirements by posting notices on their local government websites. They may still use the newspaper if they choose, but utilizing their own website provides a faster and lower-cost option for many cities and towns.



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SEA 179 was a follow-up to the changes made in HEA 1461- 2025 to the Community Crossings Matching Grant (CCMG) program. It reallocated \$75M to the CCMG program for additional grants this spring for the units that applied in 2025 but were denied. It also raises the population threshold for qualifying for the 20% match for CCMG to 12,500 (previously 10,000). Most notably, moving forward, city and county wheel taxes will not stack on top of each other after December of 2026.

This means if a municipality adopts a city wheel tax, residents would no longer be required to pay the county wheel tax in addition. However, the city is no longer eligible for the distribution of the county wheel tax if they adopt their own wheel tax.

Township reform has been a long-standing subject of conversation in the General Assembly and this year it took a significant step forward. SEA 270 will evaluate all townships based on their performance, including service level, compliance with budget and reporting requirements, and ability to fill their positions. Low performing townships will be forced to either merge with adjacent townships or, if they are contained predominantly inside of a municipality, may merge with the municipality.

Energy affordability was another priority from the Governor and legislative leadership. This push began with significant changes to the IURC from the Governor's office and culminated with the passage of HEA 1002. This bill would require levelized billing for all regulated electric utilities, additional investment in low-income assistance, require rate cases to be done over three years to help stabilize rates, and introduces performance-based ratemaking to incentivize higher reliability and lower bills for customers of regulated utilities.

The 2026 session was short but highly impactful. We are incredibly grateful for the proactive engagement of Aim members to encourage positive movement on several important topics improving the outlook of Indiana's cities and towns. Still, the truncated timeline meant many of Aim's legislative initiatives and needed fixes for the property and income tax reforms will be continued during the 2027 legislative session and beyond.

In this report, you will find the collection of new laws that have municipal importance or impact. Most of the laws go into effect on July 1, 2026. However, some laws have various 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](http://www.iga.in.gov).

We hope you will find the 2026 Aim Statehouse Report a useful tool in learning about the multitude of new laws that were adopted this year. As always, if you have questions about any legislation or current law, contact a member of the Aim legislative team or Aim legal counsel for assistance.

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

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# Administration

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## **HEA 1001, P.L. 73 - HOUSING MATTERS**

**Author:** Rep. Doug Miller (R-Elkhart)

**Sponsor:** Sen. Chris Garten (R-Charlestown)

**Policy Areas:** Administration, Community and Economic Development, Environmental, Municipal Finance, Public Safety

### **Aim Comments**

HB 1001, as introduced, would have broadly preempted local authority over housing development by limiting control of density, setbacks, and parking in an effort to drive higher-density development and reduce housing costs. It also proposed new restrictions on impact fees, which help cover infrastructure costs tied to new development without shifting the burden to taxpayers. The final version of the bill removes the zoning preemptions and significantly scales back the impact fee restrictions. Instead, it requires cities, towns, and counties to hold a public hearing by the end of 2026 to review their unified development ordinances on these issues, specifically density, and adopt any locally determined changes to improve their plan and report those changes to the state. HEA 1001 also includes provisions aimed at reducing certain environmental regulatory costs associated with housing development.

Aim and its members worked tirelessly to improve the outcome of this bill and the effect it would have on municipalities throughout session. As with other large policy changes effecting municipalities in recent years, this is the beginning of a multi-year discussion surrounding housing and the need to improve the system in place – both at the state and local levels. The Aim team is committed to engaging in future discussions on this topic and will continue to advocate for local control as changes are discussed among legislators and stakeholders.

### **Summary of Provisions**

- Revises the allocation of money available for making loans from the Residential Housing Infrastructure Assistance Revolving Fund.
  - Adds requirements regarding the location of impact zones designated by a county, city, or town (unit) after June 30, 2026. Requires a unit to approve a project that complies with the legal restrictions in effect on the date the project's permit application is submitted.
    - After December 31, 2026, restricts a unit's ability to impose and increase fees related to building approvals and permits.
    - Delays the implementation of building permit increases to 180 days after publication of the ordinance.
    - Beginning January 1, 2027, requires a unit to annually report the unit's housing status to the Indiana Housing and Community Development Authority.
    - Requires the Indiana Department of Environmental Management to review and update its Indiana Storm Water Quality Manual not later than December 1, 2026.
    - Prohibits the state or local government from requiring a person intending to fill land in a flood plain to provide compensatory storage at a ratio greater than three (mitigated land) to one (filled land).
    - Requires a unit to forfeit or refund regulatory fees if the unit fails to meet statutory deadlines for issuing a Class 2 building permit.
    - After June 30, 2026, prohibits a state agency or political subdivision from requiring the installation of the following:
      - (1) An arc-fault circuit interrupter in Class 2 structure or structure classified as an R-2 building occupancy classification.
      - (2) An emergency responder communications enhancement system in a Class 1 structure.
  - Repeals a provision that would have reinstated on July 1, 2027, the statute in effect before its amendment in the 2023 regular session of the General Assembly setting forth the authorization and procedures for establishing a Residential Housing Development Program (Program).
  - Amends the current statute for establishing a Program to provide that a Program terminates:
    - (1) 25 years (instead of 20) after the date on which the first obligation was incurred to pay principal and interest on obligations payable from tax increment revenues from the Program; or
    - (2) on the date on which the bond obligations or lease rentals are satisfied.
  - Requires a unit not later than January 1, 2027 to:

- (1) review its Unified Development Ordinance in a public hearing with the purpose of increasing housing development; and
- (2) report to the executive director of Legislative Services Agency.
- Urges assignment of the topic of housing developments by religious institutions to an interim study committee.
- Resolves conflicts for IC 36-2-4-8, which was amended by both P.L.22-2021 and P.L.152-2021. Increases the average construction cost allowable for certain housing projects to be completed by a housing authority.
- Provides that bonds, notes, or warrants of a housing authority may be sold at less than par value at a negotiated sale.

## [HEA 1003, P.L. 152 - BOARDS AND COMMISSIONS](#)

**Author:** Rep. Steve Bartels (R-Eckerty)

**Sponsor:** Sen. Randy Maxwell (R-Guilford)

**Policy Areas:** Administration, Community and Economic Development, Environmental, Healthy Communities, Public Safety

### **Aim Comments**

HEA 1003 is the culmination of a longstanding priority at the General Assembly to dissolve boards and commissions at the state level that are inactive or duplicative and move decision making from appointed boards to agencies that are in the direct chain of command of elected officials. HEA 1003 dissolved many boards and commissions at the state level and took many others and, while maintaining their functions, made them subsidiaries under the authority of state agencies. The most notable change for Indiana's municipalities is the Fire Prevention and Building Safety Commission, the body responsible for establishing Indiana's building code, was moved from an independent board to a subsidiary of the Department of Homeland Security. The duties of the Commission will continue, but will now be organized under DHS, including the variance and appeal process.

### **Summary of Provisions**

- Creates the Agricultural Promotion and Regulation Task Force to study various agriculture related topics.
- Makes changes to requirements for the readoption of administrative rules. Repeals, merges, consolidates, or otherwise modifies various boards, commissions, and other governmental bodies. Modifies or establishes various funds.
- Makes changes to the membership, duties, and operations of various boards, commissions, and other governmental bodies.
- Expands the applicability of a statute concerning county hospital governance to Perry County, Spencer County, and Orange County.
- Repeals the Fire Prevention and Building Safety Commission (Commission).
- Transfers the Commission's responsibilities and administrative rules to the Department of Homeland Security.
- Makes certain changes to the administration of building and safety statutes and building and safety codes.
- Makes technical corrections.
- Makes an appropriation.

## [HEA 1044, P.L. 38 - INSURANCE COVERAGE FOR PUBLIC SAFETY EMPLOYEES](#)

**Author:** Rep. Jim Pressel (R-Rolling Prairie)

**Sponsor:** Sen. Kyle Walker (R-Lawrence)

**Policy Areas:** Administration, Municipal Finance, Public Safety

### **Aim Comments**

HEA 1044 ensures that certain disabled public safety employees and line-of-duty survivors can access health insurance at the same cost they would have paid as active employees, including coverage for spouses and

dependents. It also sets deadlines for requesting coverage, requires continued benefits if a public safety agency is dissolved or merged, and extends these protections to surviving spouses and dependents. Aim engaged with the author of the bill throughout session to communicate the potential financial impacts of this legislation on municipalities, specifically with smaller communities in mind. While the bill was amended throughout session, there are additional tweaks that need to be made in future sessions ensuring the intent of the bill is successful while also protecting the financial future of impacted municipalities.

### Summary of Provisions

- Provides that a public safety employee who:
  - (1) becomes disabled on or after January 1, 2020;
  - (2) receives a Class 1 or a Class 2 impairment benefit; and
  - (3) is eligible for group health insurance coverage for the public safety employee and the public safety employee's spouse or dependents; must pay no more than the amount that the public safety employee would have been required to pay if still serving as a current active public safety employee employed by the local unit public employer.
- Specifies that the public safety employee must file a written request for insurance coverage with the employer before June 1, 2026, or within 90 days after the public safety employee begins receiving disability benefits, whichever is later.
- Specifies that if a public safety agency closes, merges, or otherwise ceases to exist, the local unit public employer that caused the public safety agency to cease to exist, shall continue to provide certain insurance coverage.
- Provides that a surviving spouse or dependent of a public safety employee who dies in the line of duty must pay the same amount that the public safety employee would have been required to pay if still serving as a current active public safety employee employed by the local unit public employer for coverage selected by the surviving spouse or dependent under the group health insurance program.

### [HEA 1052, P.L. 153 - VARIOUS ADMINISTRATIVE LAW MATTERS](#)

**Author:** Rep. Ethan Manning (R-Logansport)

**Sponsor:** Sen. Ron Alting (R-Lafayette)

**Policy Areas:** Administration, Community and Economic Development

### Summary of Provisions

- Adds conditions for which the Horse Racing Commission (HRC) may revoke or suspend a license or deny a license application.
- Adds a reference to wagering on horse racing in a provision prohibiting certain individuals from wagering at a licensed facility.
- Provides that appeals of certain decisions of the HRC may be appealed to the Office of Administrative Law Proceedings. Adds sports wagering certificate holders to the voluntary exclusion program.
- Defines and establishes civil penalties for conducting a "sweepstakes game."
- Allows the holder of a beer wholesaler's permit to possess, transport, sell, and deliver beer to a food manufacturer that is registered with the federal Food and Drug Administration for the purpose of adding or integrating the beer into a product or recipe.
- Provides that a wine retailer whose wine sales represent at least 60% of the annual gross income from the premises may allow customers to obtain sealed bottles of wine by self-service for consumption off the licensed premises.
- Allows the holder of a temporary wine permit to purchase, receive, and sell mixed beverages.
- Establishes requirements for the wholesale sale and distribution of tobacco products and electronic cigarettes.
- Adds additional information an applicant must provide to the Alcohol and Tobacco Commission (Commission) when applying for a tobacco sales certificate.
- Provides for the suspension of a certificate if the certificate holder's employees violate employee identification requirements three or more times in one year.
- Allows the Commission to issue to the city of Gary not more than 10 new three-way permits.

- Allows the Commission to issue:
  - (1) a beer dealer’s permit, wine dealer’s permit, and liquor dealer’s permit to a drug store operated in the city of Westfield; and
  - (2) a beer dealer’s permit and wine dealer’s permit to a convenience store operated in the town of Sellersburg.
- Provides that certain requirements regarding the sale, rental, trade, or transfer of a handgun do not apply to an item defined as an antique firearm.

### [HEA 1058, P.L. 22 – ANNEXATION](#)

**Author:** Rep. Greg Steuerwald (R-Avon)

**Sponsor:** Sen. Brett Clark (R-Avon)

**Policy Areas:** Administration, Community and Economic Development, Infrastructure and Transportation

#### **Aim Comments**

HEA 1058 clarifies how municipalities determine whether land is contiguous for the purpose of annexation. HEA 1058 specifically addresses situations where a railroad track splits a parcel of land. Land that is divided by a railroad track will now count as contiguous so long as one side of the land touches the municipality. Before this change, railroad tracks created technical barriers to the annexation process that resulted in additional delays. Aim supported HEA 1058 to streamline the annexation process as municipalities seek to expand their boundaries.

#### **Summary of Provisions**

- Provides that annexation territory that is divided by railroad tracks satisfies contiguity requirements, if the territory on at least one side of the railroad tracks is contiguous to the municipality.

### [HEA 1088, P.L. 23 - TECHNICAL CORRECTIONS](#)

**Author:** Rep. Kyle Pierce (R-Anderson)

**Sponsor:** Sen. Aaron Freeman (R-Indianapolis)

**Policy Areas:** Administration

#### **Summary of Provisions**

- Addresses technical issues in the Indiana Code, including those related to spelling, tabulation, formatting, grammar, and cross-references.
- Resolves technical conflicts from the 2025 legislative session.
- Makes conforming amendments. (The introduced version of this bill was prepared by the Code Revision Committee.)

### [HEA 1145, P.L. 79 - THIRTEENTH CHECK](#)

**Author:** Rep. Mike Karickhoff (R-Kokomo)

**Sponsor:** Sen. Brian Buchanan (R-Lebanon)

**Policy Areas:** Administration, Municipal Finance

#### **Summary of Provisions**

- Allows a participant in the State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers’ Retirement Plan to elect a joint and survivor option for the payment of the participant’s retirement allowance.
- Provides for a thirteenth check in calendar year 2026 for certain members, participants, or beneficiaries of the:
  - (1) Indiana State Teachers’ Retirement Fund;
  - (2) Indiana Public Employees’ Retirement Fund;
  - (3) State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers’ Retirement Plan;
  - (4) State Police Pre-1987 Benefit System; and
  - (5) State Police 1987 Benefit System.

## [HEA 1161, P.L. 40 - LOCAL GOVERNMENT MATTERS](#)

**Author:** Rep. Ethan Lawson (R-Greenfield)

**Sponsor:** Sen. Brett Clark (R-Avon)

**Policy Areas:** Administration

### **Aim Comments**

HEA 1161 makes several governance and administrative updates primarily for county government. The bill clarifies that certain board and commission appointees serve at the pleasure of their appointing authority, establishes staggered terms for local health boards, and allows county executives to set county administrator salaries with council oversight. Additionally, it also requires units to maintain formal personnel policies and adds executive oversight for certain high-cost park board decisions.

Originally, HEA 1161 would have expanded the oversight of appointing authorities for certain municipal boards and commissions, but during the legislative session, the bill was amended to narrow the scope of included entities in this language to predominantly county matters and dilute the appointing authority's oversight. Aim supported the original language in the bill prior to the changes made in committee and remained supportive upon passage, despite having advocated for municipal inclusion in the proposed changes for boards and commissions.

### **Summary of Provisions**

- Provides that individuals who are appointed to certain boards, committees, or other bodies in a county that does not have a consolidated city, serve at the pleasure of the appointing authority as long as:
  - (1) the officeholder who appointed the individual continues to hold the office; or
  - (2) the board, committee, or body that appointed the individual retains all of the same members who served when the individual was appointed.
- Provides that, in the case of a reorganized political subdivision, the oath of office of the town board of police commissioners is administered by any of the individuals granted notary powers.
- Staggers the terms of a nine member local board of health.
- Provides that the county executive, excluding a county containing a consolidated city, may set the salary of a county administrator subject to:
  - (1) salary parameters established; or
  - (2) approval; by the county fiscal body.
- Provides that each county executive, excluding a county containing a consolidated city and certain employees, shall adopt and maintain a written personnel policy, employee handbook, or equivalent document establishing minimum standards for county employee conduct, performance, and workplace expectations.
- Requires the executive of a county or municipality (unit) to preapprove any of the following actions of the unit's park and recreation board, if the cost exceeds the lesser of \$500,000 or 10% of the park district's annual budget:
  - (1) Exercising eminent domain powers.
  - (2) Entering into a contract.
  - (3) Acquiring real or personal property.
  - (4) Making capital improvements.
- Adds public defenders to those officials whose home addresses may be restricted from public property database websites.

## [HEA 1200, P.L. 156 - BUREAU OF MOTOR VEHICLES](#)

**Author:** Rep. Jim Pressel (R-Rolling Prairie)

**Sponsor:** Sen. Mike Crider (R-Greenfield)

**Policy Areas:** Administration, Municipal Finance, Infrastructure and Transportation, Criminal Code

### **Summary of Provisions**

- Allows additional license plates issued by the Bureau of Motor Vehicles (Bureau) to be designed as a personalized license plate.

- Provides that a motor vehicle may be equipped with an appropriate, functioning rear view camera that provides the driver a view of the highway for a distance of at least 200 feet to the rear of the vehicle instead of a mirror.
- Prohibits the Indiana Department of Transportation from implementing variable speed limits or using electronic variable speed limit signs.
- Amends the information required to be provided by an applicant for a driver's license or permit.
- Amends the required age an individual must be to obtain a driver's license from 16 years and 90 days of age to 16 years of age.
- Requires an individual to demonstrate sufficient proficiency of the English language to operate a commercial motor vehicle.
- Provides that an individual commits a Level 6 felony if the individual:
  - (1) represents that a false record is a valid commercial driver's license; or
  - (2) does not have proper documentation while driving with a commercial driver's license issued by any jurisdiction other than a state, territory, or possession of the United States.
- Provides that a business enterprise may not educate, train, or otherwise prepare an individual to operate a commercial motor vehicle if certain circumstances exist.
- Makes certain changes to the requirements for the issuance of a nondomiciled commercial driver's license and allows for the revocation of an individual's nondomiciled commercial driver's license in certain circumstances.
- Allows an applicant for a driver's license or permit to take an examination of the individual's ability to read and understand highway signs and the individual's knowledge of Indiana traffic laws by satisfactorily completing an online examination approved by the Bureau.
- Amends the time that an expired driver's license of an individual temporarily residing outside Indiana because of service in the armed forces remains valid.
- Changes the time for an individual who is 75 years of age or older and renewing a physical credential to provide proof to the Bureau that the individual passed an eyesight examination from 30 days to 60 days.
- Removes the limitation that a renewal identification card cannot be issued by electronic service if the card expired more than 180 days prior to the date of the application for renewal.
- Provides that an advertisement that violates the prohibition on advertising certain illegal products must be removed from public circulation not later than October 1, 2026.
- Amends certain requirements for township capital improvement plans.

## [HEA 1267, P.L. 31 - STATE BOARD OF ACCOUNTS](#)

**Author:** Rep. Matt Lehman (R-Berne)

**Sponsor:** Sen. Scott Baldwin (R-Noblesville)

**Policy Areas:** Administration, Municipal Finance

### Summary of Provisions

- Provides that the State Board of Accounts is subject to applicable professional auditing standards.
- Requires the governor to appoint two deputy examiners, one of whom must be a certified public accountant, and the other of whom must be either a certified public accountant or an attorney licensed in Indiana.

## [HEA 1273, P.L. 60 - REQUIREMENTS FOR PROXY ADVISORS](#)

**Author:** Rep. Kyle Pierce (R-Anderson)

**Sponsor:** Sen. Scott Baldwin (R-Noblesville)

**Policy Areas:** Administration, Municipal Finance

### Summary of Provisions

- Provides that if a proxy advisor makes a recommendation against entity management on an entity proposal or proxy proposal, or makes a default recommendation or policy concerning votes against entity management on entity proposals or proxy proposals, and the proxy advisor does not do so based on a written financial analysis, the proxy advisor shall do the following:

- (1) At the time the proxy advisor provides the proxy advisory services, provide a clear and conspicuous disclosure to each interest holder or any person acting on behalf of an interest holder, receiving the proxy advisory services, that:
    - (A) identifies the services being provided by the proxy advisor;
    - (B) identifies the recommendation at issue; and
    - (C) states that the proxy advisor has made the recommendation without utilizing a written financial analysis regarding the impact that the recommended action would have on entity interest holders.
  - (2) If the proxy advisor provides certain proxy advisory services, then at the time the proxy advisor provides the proxy advisory services, the proxy advisor must provide to entity management the disclosure provided to each interest holder or any person acting on behalf of an interest holder receiving the proxy advisory services.
  - (3) For the entire time that a proxy advisor is providing proxy advisory services to an interest holder of an entity or any person acting on behalf of an interest holder of an entity, prominently display on the home page of the proxy advisor's website a statement that the proxy advisor has made a recommendation:
    - (A) against entity management on an entity proposal or proxy proposal; and
    - (B) without utilizing a written financial analysis regarding the impact that the recommended action would have on entity interest holders.
- Provides that if a proxy advisor makes a recommendation against entity management on an entity proposal or proxy proposal, or makes a default recommendation or policy concerning votes against entity management on entity proposals or proxy proposals, and the proxy advisor does so based on a written financial analysis, the proxy advisor shall do the following:
    - (1) At the time the proxy advisor provides the proxy advisory services, provide a clear and conspicuous disclosure to each interest holder or any person acting on behalf of an interest holder, receiving proxy advisory services, that:
      - (A) identifies the services being provided by the proxy advisor;
      - (B) identifies the recommendation at issue;
      - (C) states that the proxy advisor utilized a written financial analysis regarding the impact that the recommended action would have on entity interest holders in making the recommendation; and
      - (D) states that the written financial analysis is available upon request.
    - (2) Make the written financial analysis available to an interest holder or any person acting on behalf of an interest holder, receiving the proxy advisory services within a reasonable time after an interest holder or any person acting on behalf of an interest holder, receiving the proxy advisory services requests the written financial analysis.
    - (3) If the proxy advisor provides certain proxy advisory services, then at the time the proxy advisor provides the proxy advisory services, the proxy advisor must provide a copy of the written financial analysis to entity management.
  - Amends the definition of "consumer transaction" for purposes of the deceptive consumer sales act to include the provision of a product or service to a state agency or a local agency in Indiana.
  - Amends the definition of "supplier" for purposes of the deceptive consumer sales act to include an entity that provides a product or service to a state agency or a local agency in Indiana.
  - Provides that an action that arises from a consumer transaction involving the provision of a product or service by a supplier to a state agency may be brought and enforced only by the Attorney General.
  - Provides that an action that arises from a consumer transaction involving the provision of a product or service by a supplier to a local agency may be brought and enforced only by an attorney acting on behalf of the local agency, unless the local unit of government served by the local agency requests the Attorney General to bring and enforce an action on behalf of the local unit.
  - Provides that in an action that arises from a consumer transaction involving the provision of a product or service by a supplier to a state agency or a local agency, a court may take certain actions.

**Sponsor:** Sen. Liz Brown (R-Fort Wayne)

**Policy Areas:** Administration, Technology and Innovation

### Summary of Provisions

- Allows a public agency to establish and maintain an electronic portal for submission of public records requests that:
  - (1) incorporates CAPTCHA or an equivalent mechanism for ensuring that a requestor is a human;
  - (2) requires verification of a requestor's physical address;
  - (3) indicates to the public agency whether the requestor is a resident of Indiana; and
  - (4) automatically tracks and reports submissions suspected to be automated or to have originated from known sources of phishing or data scraping.
- Provides that a public agency may deny a public record request if the request:
  - (1) is made by a person that is a party to pending or ongoing litigation; and
  - (2) is duplicative of a discovery request made by the person in the pending or ongoing litigation.
- Provides that:
  - (1) a public agency may decline to respond to a public records request if the public agency suspects:
    - (A) the request to be data scraping or phishing activity; or
    - (B) that responding to the request electronically may:
      - (i) expose the public agency's electronic systems or data to unauthorized access or alteration; or
      - (ii) otherwise jeopardize the security of the public agency's electronic systems or data; and
  - (2) if the public agency declines to respond to the request, the public agency must report:
    - (A) the request; and
    - (B) the public agency's reason for declining to respond to the request; to the Public Access Counselor.
- Allows a public agency to collect a supplemental fee for processing public records requests submitted by non-Indiana residents or out-of-state entities.
- Allows a public agency to give priority in fulfilling public records requests to:
  - (1) Indiana residents; and
  - (2) requests submitted for civic, journalistic, academic, or personal use.
- Requires public agencies to report to the public access counselor regarding public records requests suspected of being automated, data scraping activity, or phishing activity (suspect public records requests).
- Provides that the General Assembly may establish reasonable and narrowly tailored procedural safeguards to preserve the integrity and availability of public agency resources.
- Requires the Public Access Counselor to:
  - (1) take specified actions with regard to identifying excessive and suspect public records requests; and
  - (2) include in the Public Access Counselor's annual report:
    - (A) information regarding the volume and nature of public records requests received by public agencies, including information regarding suspect public records requests reported by public agencies; and
    - (B) recommendations to the General Assembly regarding statutory or administrative remedies to excessive and suspect public records requests.

### [HEA 1423, P.L. 101 - INDIANAPOLIS PUBLIC EDUCATION CORPORATION](#)

**Author:** Rep. Bob Behning (R-Indianapolis)

**Sponsor:** Sen. Jeff Raatz (R-Richmond)

**Policy Areas:** Administration

### Summary of Provisions

- Establishes the Indianapolis Public Education Corporation (Corporation) and Board (Corporation Board).
- Establishes the duties and powers of the Corporation and Corporation Board.

- Provides that the Indianapolis Public Schools School Corporation (School City) is not subject to building closure or certain transfer of school building laws.
- Allows only certain authorizers to grant or renew charters for charter schools located within the geographic boundaries of the School City.
- Specifies authority and duties of the Corporation related to imposition of property taxes.
- Provides that the Corporation is authorized to pursue a controlled project, operating referendum, or school safety referendum (instead of the School City).
- Requires the county auditor to transfer to the Corporation a percentage of the amount of revenue collected from the operations fund property tax levy that would otherwise be distributed to the School City and applicable charter schools.
- Establishes the Corporation Operations Fund and Corporation Debt Service Fund. Provides that the Corporation may issue bonds, enter leases, or otherwise incur indebtedness after March 31, 2026, and before July 1, 2027, only if the board of school commissioners of the School City first adopts a resolution approving the issuance of the bonds, entering into the lease, or incurring of indebtedness.
- Provides, beginning April 1, 2026, and ending June 30, 2027, the reduction of distributions to pay for debt service obligations issued by the Corporation must be made from reductions of distributions to the School City for failure to pay debt service obligations.

## [SEA 12, P.L. 5 - PROHIBITION OF RANKED CHOICE VOTING](#)

**Author:** Sen. Blake Doriot (R-Goshen)

**Sponsor:** Rep. Tim Wesco (R-Osceola)

**Policy Areas:** Administration

### **Summary of Provisions**

- Prohibits the use of ranked choice voting.

## [SEA 14, P.L. 104 - PENSION MATTERS](#)

**Author:** Sen. Linda Rogers (R-Granger)

**Sponsor:** Rep. Jake Teshka (R-North Liberty)

**Policy Areas:** Administration, Municipal Finance

### **Summary of Provisions**

- Modifies the definition of “average of the annual compensation” for a member of the Public Employees’ Retirement Fund (PERF) who retires after December 31, 2027.
- Specifies that compensation received in contemplation of retirement is excluded from the average of the annual compensation for particular members of PERF and the Indiana State Teachers’ Retirement Fund (TRF).
- Repeals a provision requiring the board of trustees of the Indiana Public Retirement System (Board) to maintain separate accounts for each unit of local government.
- Provides that amounts forfeited under the public employees defined contribution plan must be used as determined by the Board.
- Specifies a process by which a fully vested member of the public employees’ defined contribution plan or the teachers’ defined contribution plan may irrevocably elect to participate in PERF or TRF, as applicable.
- Modifies the information that must be included in a delinquency notice to a delinquent political subdivision.
- Modifies the requirements that apply to certain PERF members purchasing and claiming years of service credit in PERF.
- Allows, subject to particular requirements, certain TRF members to purchase and claim years of service credit in TRF.
- Allows a PERF or TRF member’s employer to pay all or part of the member’s contributions required for purchase of service credit.
- Allows a wage assignment to be made for the purpose of paying voluntary contributions of an employee of a political subdivision to a tax deferred retirement account.

- Provides that a municipality, a unit, an airport authority, a school corporation, or a charter school may require certain members of PERF to continue as members of that fund instead of the 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund).
- Requires, subject to certain limitations, the state to make contributions after December 31, 2026, that match, dollar for dollar, each state employee's deferred compensation contributions, not to exceed \$28 per paycheck.
- Specifies a process by which portions of the funding sources for the Retirement Medical Benefits Account must be transferred to the State Comptroller for the purpose of making matching contributions.
- Provides as a default rule that after December 31, 2026, each participant's membership in the Retirement Medical Benefits Account is terminated, participant subaccounts are forfeited, and subaccount amounts must be transferred to the State General Fund.
- Requires the State Comptroller to transfer certain amounts from the State General Fund to each participant's defined contribution plan.
- Specifies a time frame within which a participant in the Retirement Medical Benefits Account may elect to remain a participant.
- Establishes the 2027 Retiree Health Benefit Trust.
- Provides that the Retiree Health Benefit Trust Fund will be terminated when certain conditions are met.
- Increases the lump sum death benefit payable to the heirs or estate of a 1977 Fund member. (The introduced version of this bill was prepared by the Interim Study Committee on Pension Management Oversight.)

## [SEA 76, P.L. 106 - IMMIGRATION MATTERS](#)

**Author:** Sen. Liz Brown (R-Fort Wayne)

**Sponsor:** Rep. J.D. Prescott (R-Union City)

**Policy Areas:** Administration, Public Safety, Courts, Criminal Code

### **Aim Comments**

SEA 76 stems from a larger, national conversation regarding immigration in the United States. As passed, the bill strengthens state enforcement of federal immigration laws by expanding the Attorney General's authority to defend public entities and pursue violations in cases related to immigration matters. It establishes requirements for compliance with immigration detainer requests, removes certain standards to broaden enforcement, and addresses state and local entities limiting immigration enforcement. The bill also creates enforcement mechanisms related to the employment of unauthorized individuals.

Aim closely monitored this bill, along with other bills addressing this subject, and focused mainly on the language that would impact municipalities with programs encouraging immigration in their communities, along with the effect of proposed changes on local law enforcement.

### **Summary of Provisions**

- Provides that if a law enforcement officer, governmental body, or postsecondary educational institution is made a party to a civil suit and the Attorney General determines that the suit has arisen out of certain immigration matters, the Attorney General may defend the law enforcement officer, the governmental body, or the postsecondary educational institution if representation is requested and the actions subject to the suit do not violate federal or state law.
- Provides that the prohibition on governmental bodies or postsecondary educational institutions limiting or restricting the enforcement of federal immigration law applies regardless of whether the enforcement related activity is carried out by a federal, state, or local law enforcement agency.
- Removes the mens rea standard in the statute concerning governmental bodies or postsecondary institutions violating the citizenship and immigration status information and enforcement of federal laws chapter.
- Provides that if the Attorney General determines that probable cause exists that a governmental entity has not complied with certain requests, the Attorney General may bring a court action to:
  - (1) enjoin an act or practice constituting a violation;

- (2) impose a civil penalty for noncompliance; and
- (3) and obtain other such relief as is necessary.
- Provides that before bringing an action against a county jail for certain violations, the Attorney General shall consult with the Department of Correction concerning the most recent inspection report and provide the county jail with notice of the Attorney General's probable cause determination.
- Provides that a governmental body that has the custody of an individual who is the subject of an immigration detainer request shall:
  - (1) provide the judge authorized to grant or deny the individual's release on bail notice that the individual is subject to an immigration detainer request;
  - (2) record in the individual's case file that the individual is subject to an immigration detainer request;
  - (3) comply with the immigration detainer request; and
  - (4) inform the individual that the individual is being held pursuant to an immigration detainer request.
- Provides immunity to a governmental body or an employee of a governmental body for any action taken concerning an immigration detainer request as long as the action does not violate federal or civil law.
- Requires a judge who receives notice that an individual is subject to an immigration detainer request to ensure that the notice of the immigration detainer request is recorded in the court's record.
- Provides that the Department of Correction shall, in consultation with the Attorney General, identify options for training concerning minimum standards for county jails.
- Provides that compliance with certain standards and the results of an inspection do not preclude and are not a defense to the Attorney General bringing an action under IC 5-2-18.2.
- Provides that the Department shall submit to the State Budget Committee status update reports.
- Requires the office of the secretary to submit a report to the Legislative Council concerning certain immigration matters.
- Provides that each hospital shall, not more than one hundred twenty (120) days after the end of each calendar quarter, file with the state department beginning January 1, 2027, in cases where Medicaid is the patient's payor, the form of identification, if any, used by the patient when the patient was admitted.
- Specifies that it is unlawful for an employer to knowingly or intentionally recruit, hire, or continue to employ an unauthorized alien in Indiana.
- Allows the Attorney General to bring an enforcement action against an employer if the Attorney General determines that probable cause exists that the employer has violated certain recruitment and hiring restrictions concerning an unauthorized alien.
- Prohibits an employer from discharging or discriminating against an employee because the employee communicated or cooperated with the Attorney General.
- Provides that indecent nuisance means a place in which human trafficking is conducted and is not limited to a public place. Provides that a governmental entity that employs a prosecuting official is entitled to investigative costs, court costs, and reasonable attorney's fees incurred in an indecent nuisance action if the existence of an indecent nuisance is admitted or established in the action.
- Makes technical changes.

## [SEA 224, P.L. 123 - DEPARTMENT OF NATURAL RESOURCES](#)

**Author:** Sen. Sue Glick (R-LaGrange)

**Sponsor:** Rep. Shane Lindauer (R-Jasper)

**Policy Areas:** Administration

### Summary of Provisions

- Defines various terms.
- Amends and removes various definitions.
- Makes various changes to Natural Resources Commission procedures.
- Makes various changes to the Department of Natural Resources (Department) powers and duties.
- Removes the Hometown Indiana Grant Program.
- Amends various boating and wakeboard regulations.
- Raises the financial threshold for certain actions in a boating accident from \$750 to \$2,000.
- Raises the financial threshold for certain actions in an off-road vehicle accident from \$750 to \$2,500.

- Establishes various restrictions on landowner liability to recreational users.
- Provides that various restrictions on landowner liability do not apply to a parcel of land assessed as residential land.
- Removes the penalty for a person who acts as a hunting guide without a guide license.
- Allows the division of water to perform certain functions on behalf of the Natural Resources Commission.
- Requires the Natural Resources Commission to coordinate with the Department for purposes of a reporting requirement regarding conservancy districts.
- Establishes a consolidated chapter for River Basin Commission Administration.
- Repeals existing, separate chapters for the Maumee River Basin Commission, the St. Joseph River Basin Commission, and the Upper Wabash River Basin Commission.
- Creates a new chapter for a River Basin Commission's conversion into a Watershed Development Commission.
- Makes technical and conforming changes.

## [SEA 270, P.L. 134 - TOWNSHIP MERGERS](#)

**Author:** Sen. Rick Niemieyer (R-Lowell)

**Sponsor:** Rep. Hal Slager (R-Schererville)

**Policy Areas:** Administration, Municipal Finance

### **Aim Comments**

SEA 270 sparked significant attention throughout the legislative session as it was one of two bills seeking to reform township government. Between the two bills, SEA 270 ultimately emerged as the official path for reform. The new law establishes a statewide framework to evaluate township performance via a point system and requires certain townships that meet specified criteria to merge with other townships or reorganize with municipalities, if they are coterminous by a certain percentage, by 2029. It outlines a process for mergers and reorganizations, including local government decision-making, along with local input, contiguity requirements, and the creation of interim governance structures.

In addition to restructuring requirements, the bill includes administrative sections related to township operations, such as annual reporting on fire protection services, potential transfer of township assessor duties to the county under certain conditions, and limitations on local actions during ongoing reorganizations.

Aim was intricately involved in conversations surrounding township reform and offered proactive language to the General Assembly for consideration, along with advocacy efforts throughout session, and will continue to be involved in dialogue on this topic moving forward.

### **Summary of Provisions**

- Requires the Department of Local Government Finance (Department) not later than December 31, 2026, to compile data on each township (excluding townships in Marion County) and assign points based upon the township government's performance.
- Requires a township government that is assigned at least four points (designated township), with certain exceptions, to:
  - (1) merge; or
  - (2) for a township in which
    - (A) at least 80% of the township's boundaries coincide with a municipality's boundaries; and
    - (B) at least 51% of the township's population resides within the corporate boundaries of a municipality, reorganize with the municipality.
- Requires a merger to satisfy the following requirements:
  - (1) A designated township must merge with at least one township that has less than four points (recipient township).
  - (2) The merger must satisfy contiguity requirements under the township merger law.
- Provides that if all townships in a county have at least four points, the county executive must designate two townships to act as the recipient townships.

- Requires the county executive to designate which townships will merge taking into consideration:
  - (1) the wishes of the designated townships and recipient townships; and
  - (2) the contiguity requirements under the township merger law.
- Provides that all mergers in a county are effective not later than January 1, 2029.
- Establishes provisions for an interim township government for the new merged township government until a new township trustee and township legislative body are elected during the 2030 general election.
- Requires a designated township that is required to reorganize to adopt a resolution not later than October 1, 2027, that designates the municipality (recipient municipality) that will reorganize with the designated township.
- Requires the appointment of a joint board consisting of representatives of the designated township and the recipient municipality to prepare a plan of reorganization.
- Requires the county fiscal body to approve the budget, tax rate, and tax levy imposed by the recipient municipality within the boundaries of the rural township services district.
- Provides that a recipient municipality has all of the powers of the government modernization act in reorganizing the township.
- Amends the government modernization act to require a political subdivision to respond to a resolution that names the political subdivision as a participant in a proposed reorganization.
- Provides that a township merger does not affect the office of township assessor of a township participating in the merger.
- Amends the government modernization act to require a political subdivision to respond to a resolution that names the political subdivision as a participant in a proposed reorganization.
- Requires townships to annually provide certain information relating to fire protection to the Department in a manner prescribed by the Department using the Department's computer gateway.
- Requires the Department to share the information with the Department of Homeland Security.
- Allows the county council, before January 2, 2027, to adopt a resolution to transfer the duties of a township assessor to the county assessor if:
  - (1) the office of township assessor has been vacant for at least 90 days;
  - (2) a caucus was held but failed to fill the vacancy;
  - (3) the township board adopts a resolution approving the transfer of duties of the township assessor to the county assessor; and
  - (4) the township trustee has approved, in writing, the transfer of duties of the township assessor to the county assessor.
- Prohibits the legislative body of a county from unilaterally requiring a unit participating in a reorganization that commenced after November 1, 2025, and before November 30, 2025, from being added to an existing fire protection district:
  - (1) during negotiations regarding the reorganization among the participating units;
  - (2) after the date on which a plan of reorganization is finally adopted by all participating units; or
  - (3) as part of a reorganization in a finally approved plan of reorganization.
- Establishes requirements for the transfer of duties.
- Repeals a law that allows township governments to dissolve a merger.

## [SEA 284, P.L. 137 - LAW ENFORCEMENT CIVILIAN OVERSIGHT BOARDS](#)

**Author:** Sen. Cyndi Carrasco (R-Indianapolis)

**Sponsor:** Rep. Alex Zimmerman (R-North Vernon)

**Policy Areas:** Administration, Public Safety

### Summary of Provisions

- Provides that any type of law enforcement civilian oversight board or commission or any other entity established by a county, municipality, or township to provide civilian oversight over a law enforcement agency, excluding merit boards and commissions, may operate only in an advisory capacity to the applicable law enforcement agency and does not have binding authority over the law enforcement agency.



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# **Community and Economic Development**

**2026  
STATEHOUSE  
REPORT**

## [HEA 1038, P.L. 77 - GAMING MATTERS](#)

**Author:** Rep. Craig Snow (R-Warsaw)

**Sponsor:** Sen. Justin Busch (R-Fort Wayne)

**Policy Areas:** Administration, Community and Economic Development, Municipal Finance

### Summary of Provisions

- Provides that the Horse Racing Commission may issue three satellite facility licenses (instead of four per permit holder under current law).
- Requires Allen County, DeKalb County, and Steuben County to place a public question on the 2026 general election ballot that seeks approval from the voters to permit inland casino gambling.
- Authorizes the Indiana Gaming Commission (Commission) to award a new riverboat license for an inland casino in Allen County, DeKalb County, or Steuben County.
- Prohibits the Commission from awarding an owner's license to operate a casino in Allen County, DeKalb County, or Steuben County if the voters of the county do not approve casino gaming in the county.
- Specifies application requirements, including local government support and the applicant's commitment and plan to invest at least \$500,000,000 for the development of a casino and nongaming amenities.
- Requires an approved applicant to pay \$150,000,000 to the Commission to be deposited by the Commission as follows:
  - (1) \$100,000,000 to the State General Fund; and
  - (2) \$50,000,000 to the Shuttered Riverboat Fund to be used for local units that are affected by a shuttered riverboat or inland casino closure.
- Provides that if a licensed owner ceases operations or goes out of business, the license issued under this section is terminated effective on that date.

## [HEA 1115, P.L. 155 - HOMEOWNERS ASSOCIATION GOVERNANCE](#)

**Author:** Rep. Julie Olthoff (R-Crown Point)

**Sponsor:** Sen. Spencer Deery (R-West Lafayette)

**Policy Areas:** Community and Economic Development

### Summary of Provisions

- Amends the statute governing residential real estate sales disclosures to provide that in the case of a resale or refinance of property covered by the governing documents of a Homeowners Association (HOA), an HOA or an agent of the HOA providing a statement of unpaid assessments or other charges relating to a property may not charge more than \$50 for the statement. (HEA 1152-2026 prohibits an HOA from charging a fee for the statement.)
- Provides that an HOA member is considered to be in attendance at a meeting of the HOA if the member attends by remote or virtual means in accordance with the statutory procedures for remote meetings of nonprofit corporations.
- Requires the board of an HOA to provide to HOA members at least four days advance written notice of any meeting of the board. Provides that the meeting notice must include:
  - (1) a meeting agenda; and
  - (2) in the case of a notice for an annual meeting, a statement of the right of HOA members to demand a special meeting of the members, including a statement of the required number of members needed to demand a special meeting.
- Amends the provision in HEA 1152-2026 that prohibits an HOA, an agent of an HOA, or an HOA management company from charging a homeowner a fee associated with any service provided by the HOA to specify that such services include services that are included in the homeowner's association assessment but do not include any optional service that is offered to a homeowner in connection with the homeowner's individual lot in the subdivision and that the homeowner opts to receive.
- Provides that a schedule of any optional services offered must be approved by the board and distributed to HOA members on at least an annual basis and whenever there is a change in the fees for any of the offered services.
- Prohibits an HOA, an agent of an HOA, or an HOA management company from charging a homeowner

a fee associated with the production of a statement of account setting forth the amount of any unpaid assessments or other charges due and owing from the homeowner.

- Requires an HOA or its agent to maintain an account statement for a homeowner and provide the statement to the homeowner upon request.
- Provides that the governing documents of an HOA may not require that the consent of more than 2/3 of the owners be required to amend the HOA's governing documents.
- Provides that an HOA's governing documents may not require the consent of more than 2/3 of first lien mortgage holders in order to amend the governing documents.
- Removes the provision in current law that provides that the governing documents may require the approval of at least 95% of the owners to convey common areas or to dissolve the plan of governance for the HOA.
- Authorizes an HOA to assess a fine for a member's violation of a covenant if the HOA first:
  - (1) adopts a schedule of fines for specified violations; and
  - (2) provides to the member a notice setting forth the violation, the amount of the fine, and the date on which the fine will be assessed.
- Requires a schedule of fines to include a maximum aggregate fine amount for any single violation.

### [HEA 1150, P.L. 26 - LOCAL REGULATION](#)

**Author:** Rep. Jim Pressel (R-Rolling Prairie)

**Sponsor:** Sen. Aaron Freeman (R-Indianapolis)

**Policy Areas:** Community and Economic Development, Environmental

#### **Summary of Provisions**

- Provides that a homeowners association's governing documents may not include a covenant, policy, or similar measure that:
  - (1) prohibits or restricts the use of;
  - (2) distinguishes between types of; or
  - (3) results in differing standards for different types of; motor vehicles or outdoor equipment based on the fuel source that powers the motor vehicle or outdoor equipment.
- Provides that a homeowners association's governing documents may not include a covenant, policy, or similar measure that prohibits the display of an American flag.
- Prohibits a homeowners association from installing, maintaining, or operating an Automated License Plate Reader (ALPR), and prohibits a homeowners association from permitting the installation, maintenance, or operation of an ALPR on the property of the homeowners association unless the ALPR is installed by a law enforcement agency and only the law enforcement agency has access to the ALPR data.
- Prohibits a county or municipality from adopting or enforcing a utility usage data ordinance.
- Prohibits a county, municipality, or township from adopting or enforcing an ordinance, order, regulation, resolution, policy, or similar measure that:
  - (1) prohibits or restricts the use, sale, or lease of;
  - (2) distinguishes between types of; or
  - (3) results in differing regulatory standards for different types of; motor vehicles or machines other than vehicles, including outdoor equipment, based on the fuel source that powers the motor vehicle or machine.
- Requires political subdivisions located within five miles of the end of a runway of a publicly owned, public use airport to adopt an airspace overlay zoning ordinance.

### [HEA 1152, P.L. 53 - HOMEOWNERS ASSOCIATION MATTERS](#)

**Author:** Rep. Ethan Lawson (R-Greenfield)

**Sponsor:** Sen. Kyle Walker (R-Lawrence)

**Policy Areas:** Community and Economic Development, Healthy Communities

#### **Summary of Provisions**

- Allows, if certain conditions are met, a homeowners association to increase a budget, without a quorum, in an amount not to exceed 110% of the amount of the last approved budget, within five years after

the first sale of a lot or unit from a developer to a person not associated with the developer.

- Prohibits a homeowners association from charging a fee associated with any service provided by the homeowners association.
- Allows, if certain conditions are met, a homeowners association to increase an annual budget without a quorum in an amount that does not exceed the lesser of:
  - (1) 105% of the last approved budget; or
  - (2) the average increase of the Consumer Price Index for housing in the Midwest for the prior 12 months.
- Prohibits a homeowners association from adopting or enforcing a regulation, rule, or other policy that prohibits a person from maintaining an amateur radio antenna.
- Specifies that a homeowners association may not prohibit or restrict a person from operating a Class I child care home or providing certain child care if the person resides within and owns, rents, or leases the single family residence where child care services are provided.

## [HEA 1406, P.L. 162 - TAX AND FISCAL MATTERS](#)

**Author:** Rep. Jeff Thompson (R-Lizton)

**Sponsor:** Sen. Travis Holdman (R-Markle)

**Policy Areas:** Community and Economic Development, Healthy Communities, Municipal Finance, Utilities

### **Aim Comments**

HEA 1406 includes several miscellaneous fiscal provisions related to how the state interacts with local governments. It assigns \$35M in redevelopment tax credits from the IEDC to the control of local RDAs and creates a new grant program referred to as the Small Town Opportunity Initiative aiding downtown projects in small towns.

HEA 1406 also makes changes to property taxes and local government finance. It restored the 30% depreciation floor for personal property owned by utilities. It also removes the property tax exemption for property owned by non-profit hospitals if it has not been used for a tax-exempt purpose for ten years. It places library budgets under binding review from the city or county if their property tax levy increases by more than 50% of the MLGQ.

### **Summary of Provisions**

- Provides, in a county that uses a property tax statement as the notice of assessment, that the county treasurer must send a property tax statement to all property owners regardless of whether the property has any liability.
- Requires the county treasurer to indicate on the property tax statement whether a taxpayer's property tax liability for property taxes first due and payable in 2027 is less than the taxpayer's property tax liability for property taxes first due and payable in 2026.
- Requires the Indiana Economic Development Corporation (IEDC) to report to the Budget Committee concerning any purchase or sale of land.
- Amends provisions regarding Budget Committee review of tax credits in determining the annual aggregate tax credit cap and specifies allocation of the credits.
- Provides that real property owned by certain Indiana nonprofit hospital systems is not exempt from property taxation under certain circumstances and unmet conditions.
- Provides that certain transfer fee covenants are limited only to transfers that involve the sale of property and do not include transactions where the property is gifted, donated, or transferred.
- Provides that personal property owned by certain entities remains subject to minimum valuation limitations.
- Amends provisions and revises the effective date for the rounding provisions for cash transactions with regard to the penny phaseout for payments to business entities in ESB 243-2026.
- Amends the percentage increase in a public library's proposed budget that determines whether the public library's proposed budget is subject to binding review by the applicable county, city, or town fiscal body.
- Allows the Delaware County executive to adopt an ordinance to consolidate the functions of a board,

bureau, commission, authority, or any other similar entity authorized to administer funds received from the Delaware County:

- (1) innkeeper's tax; or
  - (2) food and beverage tax; into a single, consolidated entity as designated in the consolidating ordinance.
- Adds certain organizations to the list of organizations for which conducted sales are exempt from state gross retail and use tax.
  - Allows the city of Bedford to impose a food and beverage tax.
  - Requires the IEDC to award \$35,000,000 to development authorities each fiscal year that may be granted to taxpayers proposing a qualified investment in a qualified redevelopment site pursuant to a development plan.
  - Establishes the Small Town Opportunity Initiative.
  - Amends the Venture Capital Investment Tax Credit (Tax Credit) to specify:
    - (1) that certain investment policies of funds that qualify as a "qualified Indiana investment fund" apply only to investable capital, excluding management fees, legal fees, and other expenses incurred in the operation of the fund;
    - (2) that a taxpayer is not prevented from combining individual tax credits of less than \$10,000 for assignment; and
    - (3) qualified business eligibility.
  - Prohibits the IEDC from awarding an applicable Tax Credit to a taxpayer that is organized under the laws of a country that is a foreign adversary or that is otherwise related under certain circumstances to a country that is a foreign adversary.
  - Requires the Office of the Secretary of Family and Social Services and Division of Family Resources to require a vendor to offer certain technology solutions to prevent theft of SNAP benefits when issuing a request for proposals.
  - Provides that if a Level 2 Certified Technology Park (Park):
    - (1) has reached the limit of deposits for a Level 2 Park;
    - (2) maintains its certification; and
    - (3) is located within a qualified military base enhancement area; the Park shall become a Level 3 Park and may receive an additional annual incremental income tax deposit of up to \$250,000 until July 1, 2029.
  - Allows the budget agency to augment the appropriation to the Grain Buyers and Warehouse Licensing Agency from the Grain Buyers and Warehouse Licensing Agency License Fee Fund.

## [HEA 1424, P.L. 163 - FARM AND HOMESTEAD FOOD SALES](#)

**Author:** Rep. Hunter Smith (R-Zionsville)

**Sponsor:** Sen. Brian Buchanan (R-Lebanon)

**Policy Areas:** Community and Economic Development

### **Aim Comments**

HEA 1424 prevents state and local governments from imposing licensing, inspections, or regulations on food producers — like homestead vendors and small farms — beyond current federal requirements. HEA 1424 broadens the range of food that may be sold via residential or agricultural property and farmers' markets including prepared foods, baked goods, candy, produce, and certain meat products. Those wishing to sell products must provide labeling and signage that includes the vendor's address, ingredients, allergens and specifies that the product is exempt from government licensing and inspections. The bill also clarifies how products can be sold and shipped.

Aim monitored the legislation as it moved through session, particularly with the portion of the bill that protects local governments' ability to enforce local zoning requirements and regulation of public rights-of-way, utility easements, and other restricted areas, along with the regulation of certain development standards such as setbacks, parking, and signage. Additionally, the bill clarifies the process involving local units when a connection to a public sewer system is required in order to sell produce.

## Summary of Provisions

- Allows the executive board of the Indiana Department of Health to adopt rules concerning time temperature control for food safety, but provides that the rules may not be applied to a homestead vendor or small farm vendor.
- Provides that homestead vendors and small farm vendors are exempt from specified health regulations applicable to food establishments.
- Provides that the Indiana Department of Health, a local unit of government, the Health and Hospital Corporation of Marion County, or a local health department may not impose any rules, regulations, certifications, or licensing requirements on a homestead vendor or small farm vendor that are not required under federal law, but may investigate complaints against a homestead vendor or small farm vendor regarding a foodborne illness derived from the homestead vendor's or small farm vendor's food products.
- Permits homestead vendors and small farm vendors to sell specified meat products and other foods from:
  - (1) the property of the homestead vendor or small farm vendor; or
  - (2) a farmers market.
- Requires a homestead vendor or small farm vendor to provide consumers with specified information regarding the homestead vendor's or small farm vendor's food products through signage or labeling.
- Provides for conditions under which a homestead vendor or small farm vendor may ship or deliver a food product directly to a consumer. Imposes handling, refrigeration, transportation, and storage requirements for homestead vendor and small farm vendor food products.
- Provides that public buildings used by homestead vendors and small farm vendors are exempt from certain public building and safety regulations.
- Provides that buildings, structures, or stands used for sale of homestead vendor or small farm vendor food products are subject to specified fire safety, building, and equipment laws.

## SEA 27, P.L. 44 - STADIUM AUTHORITY

**Author:** Sen. Ryan Mishler (R-Mishawaka)

**Sponsor:** Rep. Todd Huston (R-Fishers)

**Policy Areas:** Community and Economic Development, Infrastructure and Transportation, Municipal Finance

### Aim Comments

SEA 27 creates the Northwest Indiana Stadium Authority to acquire, finance, and oversee a major sports stadium project in Northwest Indiana. The law establishes a governing board with the authority to finance, construct, operate, and maintain the new sports facility. It also sets financial parameters for developers interested in working on the project. Additionally, the new law institutes several funding mechanisms such as local food and beverage taxes as well as an innkeeper's tax. Aim tracked this legislation closely due to the impact it would have on the local units in the proposed development area.

## Summary of Provisions

- Establishes the Northwest Indiana Stadium Authority (Stadium Authority) for the purpose of acquiring and financing certain facilities.
- Sets forth the powers and duties of the Stadium Authority.
- Establishes the Northwest Indiana Stadium Board (Stadium Board) for the purpose of financing, constructing, equipping, operating, and maintaining a capital improvement.
- Specifies the composition of the Stadium Board and sets forth the powers and duties of the Stadium Board, including the issuance of bonds and notes to finance a capital improvement.
- Amends and adds provisions that apply to the Indiana Finance Authority.
- Amends provisions in the Lake County and Porter County food and beverage tax chapter.
- Amends provisions in the Lake County innkeeper's tax chapter.
- Authorizes the city of Hammond to impose an admissions tax.
- Requires amounts collected from the city admissions tax to be distributed to the Stadium Board or its designee.
- Authorizes a redevelopment commission of the city of Hammond to establish a professional sports development area in the city designated as the Northwest Indiana Professional Sports Development

Area and Tax Area.

- Authorizes the city of Hammond to establish a Northwest Indiana Stadium Development District.
- Specifies the duties and authorities of the District and the uses of the incremental tax revenue captured in the District.
- Requires the Indiana Sports Corporation, beginning July 1, 2027, to ensure that 20% of the money received by the Indiana Sports Corporation each biennium is used for events supported by the Northwest Indiana Stadium Authority and that not less than 20% (instead of 30%) of the money received by the Indiana Sports Corporation each biennium is used for events that are conducted outside of both Marion County and Lake County.
- Requires certain projects to be reviewed by the Budget Committee before the Indiana Department of Transportation proceeds with contract letting.

## [SEA 59, P.L. 10 - NOTICE OF ANNEXATION OUTREACH MEETINGS](#)

**Author:** Sen. Rick Niemieyer (R-Lowell)

**Sponsor:** Rep. Hal Slager (R-Schererville)

**Policy Areas:** Community and Economic Development

### **Summary of Provisions**

- Requires a municipality to mail notice of the date, time, and location of annexation outreach meetings to:
  - (1) the county executive of each county;
  - (2) the township executive of each township; and
  - (3) any plan commission; in which the annexation territory is located.

## [SEA 89, P.L. 11 - THREE-WAY PERMITS](#)

**Author:** Sen. Dan Dernulc (R-Highland)

**Sponsor:** Rep. Heath VanNatter (R-Kokomo)

**Policy Areas:** Community and Economic Development

### **Summary of Provisions**

Provides the Alcohol and Tobacco Commission may issue not more than:

- (1) three new three-way permits to the town of Schererville;
- (2) three new three-way permits to the city of Lafayette;
- (3) two new three-way permits to the city of West Lafayette;
- (4) eight new three-way permits to restaurants located within a transit development district located in the city of Michigan City;
- (5) two new three-way permits to the city of Delphi; and
- (6) two new three-way permits to the city of Bloomington.

## [SEA 176, P.L. 117 - SHOOTING RANGES](#)

**Author:** Sen. Jim Tomes (R-Wadesville)

**Sponsor:** Rep. Ben Smaltz (R-Auburn)

**Policy Areas:** Community and Economic Development, Public Safety

### **Aim Comments**

SEA 176 limits local zoning authority over shooting ranges by ensuring that upgrades or improvements cannot be treated as expansions of nonconforming uses or used to deny permits. It also designates retail sporting goods stores as permitted uses in land zoned commercial and allows indoor shooting ranges in commercial, industrial, or agricultural areas under certain conditions.

Aim worked with the bill author to limit the scope of the applicability of the underlying bill, but language added regarding retail sporting goods stores could create significant zoning and infrastructure challenges if new retailers are allowed to establish themselves without proper local engagement. While additional changes to the legislation were not made before passage, Aim will continue working with the author to tighten the language in the 2027 legislative session.

### **Summary of Provisions**

- Provides that the maintenance, repair, renovation, modernization, or expansion of buildings, structures, or facilities used in connection with a shooting range, including improvements to safety, security accessibility, or environmental controls, is a continuation of a permitted use and may not be treated by a local unit of government as:
  - (1) an expansion of a nonconforming use; or
  - (2) a basis to deny, delay, or condition approval of any permit that is otherwise required under applicable building codes or safety regulations.
- Provides that if an area is zoned for commercial use, a retail sporting goods store is a permitted use on each lot or parcel.
- Provides that if a property is zoned for commercial, industrial, or agricultural use, an indoor shooting range is permitted on any lot or parcel if certain conditions are satisfied.

### **[SEA 232, P.L. 46 - REAL PROPERTY APPRAISALS](#)**

**Author:** Sen. Mark Spencer (D-Gary)

**Sponsor:** Rep. Julie Olthoff (R-Crown Point)

**Policy Areas:** Community and Economic Development, Municipal Finance

### **Summary of Provisions**

- Allows the city of Gary to hire an appraiser to conduct appraisals of residential and commercial properties to assist the city with disposing of the City's real property.
- Prohibits an employee or appointed or elected official of the City from purchasing property that is appraised by the appraiser.



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# Courts

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## [HEA 1019, P.L. 18 - CONSTITUTIONAL AMENDMENT BALLOT QUESTION](#)

**Author:** Rep. Mike Aylesworth (R-Hebron)

**Sponsor:** Sen. Eric Koch (R-Bedford)

**Policy Areas:** Administration, Courts

### Summary of Provisions

- Prescribes the ballot language for the proposed constitutional amendment concerning the residency of a city or town court judge.

## [HEA 1033, P.L. 76 - VARIOUS JUDICIAL MATTERS](#)

**Author:** Rep. Danny Lopez (R-Carmel)

**Sponsor:** Sen. Cyndi Carrasco (R-Indianapolis)

**Policy Areas:** Courts

### Summary of Provisions

- Amends the membership of the Community Corrections Advisory Board.
- Defines “full court” as the total of all Marion superior court judges who are appointed and serving as judges.
- Specifies that if a newly appointed judge is filling a vacancy of a judge whose term ends the same year as the appointment, the newly appointed judge shall serve a term that expires on December 31 of the sixth full year following the appointment.
- Requires the Marion County Judicial Selection Committee (Judicial Selection Committee) to nominate five candidates to the governor when a judicial vacancy exists and allows the governor to appoint any of the nominated candidates when filling more than one vacancy.
- Replaces the term “presiding judge” with “chief judge” within the Marion County superior court.
- Amends the membership of the Judicial Selection Committee.
- Prohibits a member of the Judicial Selection Committee who is not an ex officio member to serve consecutive terms and staggers the terms of certain members of the Judicial Selection Committee to begin on July 1, 2026, or July 1, 2028.
- Requires the Judicial Selection Committee to determine that a judge is suitable to retain judicial office before a judge’s request for retention may be placed on the ballot.
- Establishes a procedure with specific deadlines for a judge who wishes to stand for retention in 2026.
- Repeals and replaces a provision concerning the procedure to select the Marion County Judicial Executive Committee (Executive Committee) and certain court provisions.
- Provides that, for an Executive Committee starting a term on January 1, 2027, and for the selection of each Executive Committee thereafter, the full court shall meet not later than November 15 in the final year of the Executive Committee’s term to select the candidates of the next Executive Committee.
- Requires a two-thirds vote of the sitting judges who will hold office on January 1 of the next year to select the candidates of the Executive Committee and requires the chair of the Judicial Selection Committee to approve the members of the Executive Committee and select one member of the Executive Committee as the chief judge.
- Allows the chair of the Judicial Selection Committee to remove a member of the Executive Committee for cause.
- Increases the term of an Executive Committee member of the Marion County judiciary from two years to three years.
- Specifies which duties are the responsibility of the full court and which are to be determined by a trial judge.
- Describes the duties and authority of the Executive Committee.
- Provides that any action taken by the Executive Committee may only be overruled by a vote of 85% of the full court sitting at the time the vote is taken.
- Removes a requirement that the Executive Committee requires the approval of two-thirds of the judges to determine the number of judicial officers and personnel required to serve the court.
- Provides that the judge of the circuit court has exclusive authority to appoint commissioners or magistrates allocated to the circuit court.

- Amends how magistrates and commissioners are appointed.
- Specifies that the Executive Committee has final authority for all employment decisions regarding commissioners and magistrates.
- Repeals a provision that allows the presiding judge to appoint a magistrate and allows the Executive Committee to appoint 28 magistrates.
- Requires a voting member of the Justice Reinvestment Advisory Council to cast a vote in person.
- Requires that, in a county having a consolidated city, the chief judge or a judge appointed by the chief judge be the chair of the local Justice Reinvestment Advisory Council.
- Provides that a local or regional advisory council may only take action upon the affirmative vote of the members and a member must cast a vote in person.
- Makes conforming changes.

### [SEA 3, P.L. 4 - CONSTITUTIONAL AMENDMENT BALLOT LANGUAGE](#)

**Author:** Sen. Eric Koch (R-Bedford)

**Sponsor:** Rep. Chris Jeter (R-Fishers)

**Policy Areas:** Public Safety, Courts, Criminal Code

#### **Summary of Provisions**

- Prescribes the ballot language for the proposed constitutional amendment concerning bail.

### [SEA 291, P.L. 139 - COURT SECURITY](#)

**Author:** Sen. Scott Baldwin (R-Noblesville)

**Sponsor:** Rep. Greg Steuerwald (R-Avon)

**Policy Areas:** Courts, Public Safety

#### **Summary of Provisions**

- Establishes a procedure to prevent certain personal information of a protected judicial individual from being publicly available by a public agency.
- Creates a civil cause of action against a public agency that fails to remove certain personal information of a protected individual.
- Repeals current code concerning the supreme court sheriff.
- Allows the Supreme Court and the Court of Appeals to each appoint a court marshal and allows each appointed court marshal to hire deputy court marshals.
- Requires a court marshal to ensure the safety and security of the court.
- Requires a supreme court marshal and a court of appeals court marshal to carry out certain responsibilities.
- Provides that a court marshal is entitled to qualified immunity for acts performed in the course of official duties.
- Specifies that a court marshal has limited police powers and is required to notify the local law enforcement agency as soon as practicable when a security threat is detected.
- Allows the marshal appointed by the court of appeals to provide for the safety and security of the tax court.



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# Criminal Code

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## [HEA 1031, P.L. 75 - COUNTY CORONERS](#)

**Author:** Rep. Karen Engleman (R-Georgetown)

**Sponsor:** Sen. Blake Doriot (R-Goshen)

**Policy Areas:** Criminal Code

### **Summary of Provisions**

- Makes changes to the blood or tissue retention protocols at a hospital for purposes of conducting a death investigation.
- Makes changes to the training course requirements for coroners and deputy coroners.
- Makes changes to provisions governing the conduct of a death investigation.
- Provides that a coroner or deputy coroner who conducts a death investigation or signs a death certificate without completing certain training commits a Class B misdemeanor.
- Provides that, if a coroner or deputy coroner fails to complete the required training course within the time required, the county shall reimburse the coroners training board for the cost of the training.
- Provides that the county may recover from an individual the amount the county reimbursed the coroners training board.
- Makes technical corrections.

## [HEA 1056, P.L. 50 - RESISTING LAW ENFORCEMENT CONFLICT RESOLUTION](#)

**Author:** Rep. Jennifer Meltzer (R-Shelbyville)

**Sponsor:** Sen. Brett Clark (R-Avon)

**Policy Areas:** Public Safety, Criminal Code

### **Summary of Provisions**

- Resolves a conflict between HEA 1014-2025 and HEA 1637-2025.

## [HEA 1249, P.L. 158 - VARIOUS CRIMINAL LAW MATTERS](#)

**Author:** Rep. Alex Zimmerman (R-North Vernon)

**Sponsor:** Sen. Aaron Freeman (R-Indianapolis)

**Policy Areas:** Public Safety, Criminal Code

### **Summary of Provisions**

- Provides that if a person has one prior OWI conviction, the court shall order that the person be imprisoned for at least 10 days or perform community service, and if a person has two prior OWI convictions, the court shall order that the person be imprisoned for at least 20 days or perform community service.
- Provides that a person receives good time credit while serving a sentence imposed under this statute (under current law, a person does not receive good time credit).
- Provides that this statute does not increase the maximum sentence for the offense as provided by either IC 35-50-2 or IC 35-50-3.
- Specifies that "vehicle", for purposes of the crime of operating while intoxicated, includes a watercraft, and repeals the separate crime of operating a motorboat while intoxicated.
- Provides that an initial hearing may be waived and allows a person to apply for a specialized driving privilege after an initial hearing.
- Adds operating while intoxicated due to use of a controlled substance to the habitual traffic violator statute.
- Requires a law enforcement officer to offer a chemical test that includes a blood test to any person who the officer has reason to believe operated a vehicle that was involved in a fatal accident.
- Specifies that ignition interlock devices may only be used when the underlying offense is operating while intoxicated resulting from the use of alcohol.
- Specifies that certain provisions do not prevent an otherwise eligible individual from applying for a specialized driving privilege after the initial hearing.
- Increases the penalty for battery on certain health care employees and school employees.
- Specifies that the enhancement for battery committed against a Department of Child Services (DCS) employee applies only to those DCS employees whose responsibilities include personally supervising a

child or parent, personally providing services to a child or parent, or personally interviewing a child or parent as part of an investigation.

- Requires the employer of a health care or school employee who is the victim of battery to make a semiannual report to the department of labor concerning workplace batteries.
- Provides that certain uses of a drone constitute remote aerial harassment
- Specifies that a child charged with dangerous possession of a firearm may be tried by a juvenile court under certain circumstances.
- Makes dangerous possession of a firearm a Level 5 felony if the child:
  - (1) has a prior conviction for unlawful carrying of a handgun; or
  - (2) possesses the firearm on school property, within 500 feet of a school, or on a school bus.
- Specifies that certain individuals may not be subject to a county residency requirement, including a public defender (except for the chief public defender), court personnel, and a deputy prosecuting attorney.
- Prohibits the release of personally identifying information concerning a railroad crew in a public report concerning a railroad fatality.
- Repeals provisions that require:
  - (1) the Department of Education to maintain a public database concerning public school employees who were physically injured on the job by students; and
  - (2) each public school to provide to the Department of Education information concerning certain public school employees physically injured on the job by a student.

## [HEA 1258, P.L. 85 - CRIMES OF VIOLENCE](#)

**Author:** Rep. Chris Jeter (R-Fishers)

**Sponsor:** Sen. Aaron Freeman (R-Indianapolis)

**Policy Areas:** Criminal Code

### Summary of Provisions

- Revises and consolidates the definition of “crime of violence.”
- Amends the definition of violent offender to mean a person who is convicted of an offense or attempted offense that is a crime of violence or a person who is charged with an offense or attempted offense that is a crime of violence.
- Amends the definition of “violent arrestee” to mean a person arrested for or charged with a crime of violence that is a Level 1 felony, Level 2 felony, Level 3 felony, Level 4 felony, or a Level 5 felony.
- Removes provisions concerning repeat violent arrestees.
- Amends the definition of “violent criminal” to mean a person convicted of a crime of violence.
- Adds:
  - (1) dangerous possession of a firearm with two priors; and
  - (2) unlawful carrying of a handgun with two priors; to the crimes of violence list.
- Makes a technical correction and conforming changes.

## [HEA 1303, P.L. 92 - SEX CRIMES AND CHILD SAFETY](#)

**Author:** Rep. Wendy McNamara (R-Evansville)

**Sponsor:** Sen. Brett Clark (R-Avon)

**Policy Areas:** Public Safety, Criminal Code, Courts

### Summary of Provisions

- Specifies the sex offender reporting requirements for persons who are sex offenders or required to register in other jurisdictions.
- Adds “high risk missing person” to the definition of “missing child.”
- Specifies that the silver alert program applies to missing children.
- Removes provisions concerning possession of Child Sex Abuse Material (CSAM) from the statute containing the offense of child exploitation, and makes a new section for CSAM offenses.
- Creates a new crime for distribution of CSAM, and generally conforms the sentencing enhancements for possession of CSAM, distribution of CSAM, and child exploitation.

- Specifies that certain restrictions on CSAM in discovery also apply in civil proceedings (under current law, they only apply in criminal proceedings).
- Provides a defense in specified circumstances.
- Removes certain duplicative provisions and makes conforming amendments and technical corrections.

## [SEA 2, P.L. 64 - BAIL PROCEDURES](#)

**Author:** Sen. Eric Koch (R-Bedford)

**Sponsor:** Rep. Chris Jeter (R-Fishers)

**Policy Areas:** Public Safety, Courts, Criminal Code

### Summary of Provisions

- Provides that offenses other than murder are not bailable if the state proves:
  - (1) by a preponderance of the evidence that the proof is evident or the presumption strong; and
  - (2) by clear and convincing evidence that the arrestee is dangerous and that no conditions of release will reasonably protect the safety of other persons or the community.
- Establishes procedures for a bail hearing.
- Removes duplicative provisions concerning repeat violent arrestees.
- Permits a court to retain cash bail for the payment of certain costs without an indigency hearing if the defendant has executed an agreement permitting the court to retain the cash bail for these purposes.

## [SEA 9, P.L. 66 - VICTIM IMPACT STATEMENTS](#)

**Author:** Sen. Liz Brown (R-Fort Wayne)

**Sponsor:** Rep. Joanna King (R-Middlebury)

**Policy Areas:** Criminal Code, Public Safety

### Summary of Provisions

- Requires a defendant to be present in the courtroom while a victim makes a statement concerning the crime and the sentence, unless the defendant presents a safety risk or causes a significant disruption.
- Provides that if a defendant fails to appear at sentencing and is later taken into custody, the court may hold a hearing to permit the victim to make a statement concerning the crime and the sentence in the presence of the defendant.

## [SEA 119, P.L. 111 – GROOMING](#)

**Author:** Sen. Dan Dernulc (R-Highland)

**Sponsor:** Rep. Julie Olthoff (R-Crown Point)

**Policy Areas:** Criminal Code, Public Policy

### Summary of Provisions

- Adds a facility or event that provides entertainment or programming primarily directed toward a child less than 18 years of age to the list of facilities at which a sexually violent predator or an offender against children may not work or volunteer.
- Adds entering a facility or location holding an event that provides entertainment or programming primarily directed toward a child less than 18 years of age by a serious sex offender to the crime of unlawful entry by a serious sex offender.
- Renames the offense of “inappropriate communication with a child” to “sexual grooming,” and provides (in addition to the current elements of the offense) that a person commits the offense if the person engages in a pattern of repeated or continuous contact with an individual whom the person believes to be a child less than 14 years of age, with the intent to condition the individual to be less resistant to future sexual conduct or sexual activity.
- Specifies that “computer network” includes cellular telephones.

## [SEA 261, P.L. 132 - CRIMINAL VANDALISM](#)

**Author:** Sen. Mike Young (R-Indianapolis)

**Sponsor:** Rep. Garrett Bascom (R-Lawrenceburg)

## **Policy Areas:** Criminal Code

### **Summary of Provisions**

- Renames the crime of “criminal mischief” to “criminal vandalism.”
- Repeals:
  - (1) institutional criminal mischief;
  - (2) cemetery mischief;
  - (3) railroad mischief; and
  - (4) critical infrastructure facility mischief; places them in the “criminal vandalism” statute, and preserves the original penalties and defenses.
- Repeals and places provisions involving damage to a cave in the criminal vandalism statute.
- Repeals and places provisions involving depositing refuse in a cave in the littering statute.
- Makes conforming amendments.



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# Environmental

**2026  
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## [HEA 1348, P.L. 95 - REGULATION OF GREASE CONTROL EQUIPMENT](#)

**Author:** Rep. Jim Pressel (R-Rolling Prairie)

**Sponsor:** Rep. Rick Niemeyer (R-Lowell)

**Policy Areas:** Environmental, Utilities

### **Aim Comments**

The intention of HEA 1348 was to create a statewide framework for the regulation of grease control equipment. In addition to the provisions concerning grease control equipment, there is language regarding the management of septage. Wastewater plants that have accepted septage since 2023 must continue to do so unless they do not have sufficient capacity. In the event a septage hauler wishes to dispute the claim that the system does not have sufficient capacity, the law contains a formal process for filing a dispute. Aim engaged on this bill early in the legislative process due to municipal implications and through conversations with the author, narrowed and clarified the language surrounding septage instructions and requirements.

### **Summary of Provisions**

- Establishes a statewide regulatory scheme for grease control equipment.
- Provides that a waste water treatment plant must continue to accept septage under certain circumstances.
- Creates a process for septage haulers to resolve disputes with wastewater treatment plants with respect to accepting septage.

## [HEA 1368, P.L. 161 – CARBON](#)

**Author:** Rep. Ed Soliday (R-Valparaiso)

**Sponsor:** Sen. Eric Koch (R-Bedford)

**Policy Areas:** Environmental, Utilities

### **Summary of Provisions**

- Requires a utility to accept certain methods of payment from the Department of Natural Resources (Department) for utility service provided to a property owned by the Department.
- Prohibits a utility from limiting or restricting the:
  - (1) dollar amount to less than \$10,000; or
  - (2) number of allowable payment transactions for a singular invoice to less than five; with respect to a payment made by one of the specified payment methods.
- Provides that for any singular property owned by the Department, the Department may request from a utility a consolidated bill for the property.
- Requires a utility that receives such a request to provide the Department with a singular invoice for the entire property, unless the utility is unable to do so because of billing limitations or other operational constraints.
- Requires the Natural Resources Commission to obtain primary enforcement authority from the United States Environmental Protection Agency to regulate Class VI underground injection wells.
- Grants the Natural Resources Commission authority to adopt rules to regulate Class VI underground injection wells.
- Provides a mechanism and regulatory scheme for underground storage of carbon dioxide in Indiana but excludes the carbon sequestration pilot project from application of the new requirements.
- Specifies that the carbon sequestration pilot project's Class VI wells are not experimental.



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# Healthy Communities

**2026  
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## [HEA 1202, P.L. 28 - VARIOUS PUBLIC SAFETY MATTERS](#)

**Author:** Rep. Ethan Lawson (R-Greenfield)

**Sponsor:** Sen. Mike Crider (R-Greenfield)

**Policy Areas:** Public Safety, Healthy Communities

### Summary of Provisions

- Requires a vendor or provider of an ignition interlock device to register an ignition interlock device with the Department of Toxicology.
- Eliminates a requirement for the director of the State Department of Toxicology to provide periodic reports to the Indiana Criminal Justice Institute (Institute) regarding the number of ignition interlock devices used in Indiana.
- Provides that a registered ignition interlock device must be installed in a motor vehicle in accordance with the manufacturer's instructions for installing the registered ignition interlock device.
- Codifies administrative rules adopted by the State Department of Toxicology relating to ignition interlock devices.
- Provides that prior to being issued an initial license to operate a child care center, the child care center must be inspected and found to be in substantial compliance with applicable building and fire safety laws by the Department of Homeland Security. (Current law provides that a license may be issued only if the child care center is in substantial compliance with the fire and life safety rules as determined by the state fire marshal under rules adopted by the Division of Family Resources (Division) or in accordance with a variance or waiver approved by the Division.)
- Provides that prior to being issued an initial registration to operate a child care ministry, the unlicensed child care ministry must be inspected and found to be in substantial compliance with applicable building and fire safety laws by the Department of Homeland Security.
- Provides that the Department of Homeland Security shall perform inspections of:
  - (1) child care ministries;
  - (2) child care centers;
  - (3) child caring institutions; and
  - (4) group homes.
- Provides that a license or registration to operate a child care center or child care ministry may be revoked if the Division determines that the operator has failed to comply with an order of the Department of Homeland Security.
- Provides that the operator of an unlicensed child care ministry shall maintain a copy of the most recent Department of Homeland Security inspection findings in a conspicuous place in the unlicensed child care ministry.
- Provides that the department of child services is not required to consult with the Fire Prevention and Building Safety Commission when adopting administrative rules pertaining to the licensing and inspection of child care institutions, foster family homes, group homes, and child placing agencies.
- Provides that administrative rules of the Fire Prevention and Building Safety Commission must include minimum building and safety requirements applicable for child caring institutions.
- Provides that prior to being issued an initial license to operate a child caring institution or group home, the child caring institution or group home must be inspected and found to be in substantial compliance with applicable building and fire safety laws by the Department of Homeland Security.
- Provides that a license or registration to operate a child caring institution or group home may be revoked if the Department of Child Services determines that the operator has failed to comply with an order of the Department of Homeland Security.
- Provides that in order for an individual to receive a license from the Emergency Medical Services Commission, the individual must obtain a national criminal history background check and authorize release of the results of the check to the Department of Homeland Security.
- Eliminates the requirement for the Institute to adopt administrative rules relating to the child restraint system account.
- Provides that inspections conducted by the Department of Homeland Security shall be conducted periodically in lieu of established periods.
- Changes a reference, from the Department of Education to the Office of School Safety, relating to the

duties of a school safety specialist.

- Repeals:
  - (1) provisions relating to public safety improvement areas;
  - (2) a provision requiring the board of trustees of the Institute to adopt rules relating to the law enforcement assistance fund;
  - (3) a provision that authorizes the state fire marshal to charge a child care ministry a \$50 fee for processing a registration;
  - (4) a provision requiring the Institute to review characteristics of offenders committed to the department of correction over such period of time it deems appropriate and of the offenses committed by those offenders in order to ascertain norms used by the trial courts in sentencing;
  - (5) a provision requiring the Bureau of Motor Vehicles and the Institute to enter into a memorandum of understanding to administer the provisions relating to ignition interlock devices; and
  - (6) a provision that requires the Institute to adopt rules relating to ignition interlock devices.

## [HB 1296, P.L. 32 - MENTAL HEALTH SERVICES](#)

**Author:** Rep. Garrett Bascom (R-Lawrenceburg)

**Sponsor:** Sen. Brett Clark (R-Avon)

**Policy Areas:** Healthy Communities, Public Safety

### **Summary of Provisions**

- Requires the secretary of Family and Social Services to certify integrated reentry and correctional support programs.
- Requires the owner of a recovery residence to register with the Division of Mental Health and Addiction (Division).
- Sets forth the requirements for registration.
- Requires the Division to post a list of registered recovery residences on the division's public website and include certain information concerning each recovery residence.
- Requires the Division to adopt rules concerning:
  - (1) the issuance, revocation, and denial of a registration; and
  - (2) any rules necessary to implement these provisions.
- Allows the Division to contract with certain entities to administer the registration of recovery residences.

## [HEA 1358, P.L.96 - INDIANA DEPARTMENT OF HEALTH](#)

**Author:** Rep. Brad Barrett (R-Richmond)

**Sponsor:** Sen. Ed Charbonneau (R-Valparaiso)

**Policy Areas:** Healthy Communities

### **Summary of Provisions**

- Changes the statewide standing order for the dispensing of a smoking cessation product to a tobacco, vaping, or nicotine cessation product.
- Amends the date by which a hospital must submit the hospital's fiscal report and patient information report to the state department.
- Removes a requirement that a home health aide competency evaluation program include at least 75 hours of training and 16 hours of classroom training before supervised practical training.
- Adds Parkinson's disease to the definition of "chronic disease" for provisions concerning the chronic disease registry.
- Requires:
  - (1) the state department to maintain a trauma registry; and
  - (2) certain health care facilities to submit data to the registry.
- Establishes requirements for the handling and transporting of infectious waste.
- Sets forth factors the state department must consider in determining the nature of and civil penalty for a violation of infectious waste requirements.
- Expands provisions concerning epinephrine, including provisions allowing a pharmacist to dispense

and an entity to prescribe epinephrine rather than auto-injectable epinephrine.

- Removes the expiration of provisions concerning lead screening for children.
- Requires a registered manufacturer, processor, repackager, or wholesale distributor of food, drugs, or cosmetics to comply with federal regulations concerning good manufacturing practices.
- Allows the State Health Commissioner to enter and inspect the premises of the manufacturer, processor, repackager, or wholesale distributor.
- Permits a local health department to conduct inspections of certain manufacturers, processors, repackagers, or wholesale distributors.
- Amends the information a local child fatality review team and the statewide child fatality review committee may review in conducting a child fatality review.
- Allows a suicide and overdose fatality review team and a fetal-infant mortality review team to provide records to the state department.
- Requires the state department to maintain the confidentiality of these records.
- Requires a medical school to:
  - (1) include nutrition education in the school's curriculum; and
  - (2) require students to complete a rural health rotation.
- Voids administrative rules concerning infectious waste and the state trauma registry.

## [SEA 4, P.L. 102 - VARIOUS FISCAL MATTERS](#)

**Author:** Sen. Ryan Mishler (R-Mishawaka)

**Sponsor:** Rep. Craig Snow (R-Warsaw)

**Policy Areas:** Healthy Communities, Municipal Finance

### **Aim Comments**

SEA 4 adds fiscal control on executive orders issued by the Governor, requiring fiscal impacts of \$500,000 or more to be reviewed by the State Budget Committee. It also provides additional flexibility for counties to fund Community Mental Health Centers. Lastly, it allows for budget augmentation for the CCDF program through the end of the budget cycle to give the state the ability to stabilize the childcare cliff prior to an impending and necessary discussion in the upcoming 2027 budget session.

### **Summary of Provisions**

- Requires the Legislative Services Agency to perform a fiscal impact analysis for all executive orders issued by the governor within seven days of an order's issuance. (Under current law, this requirement only applies to a governor's declaration of a disaster emergency by executive order.)
- Provides that if the implementation and compliance costs of a proposed rule are expected to exceed \$500,000 (instead of \$1,000,000) over a two year period, the publisher may not publish the proposed rule until the Budget Committee has reviewed the rule.
- Amends the Pokagon Indiana Education Fund to allow payments to be made to both public and private Indiana institutions of higher learning for the purposes of the fund.
- Makes the following changes (effective July 1, 2028) regarding Community Mental Health Centers (CMHC):
  - (1) Allows a county to meet CMHC funding requirements from any funding source in lieu of or in combination with property taxes but excluding federal funds.
  - (2) Adds provisions concerning the location where certain CMHC services may be provided.
  - (3) Specifies additional items that are required to be reported by a CMHC in its annual report.
- Urges the Legislative Council to assign to the Interim Study Committee on Courts and the Judiciary the task of undertaking a comprehensive study of all court fees and fines.
- Allows the Budget Agency, subject to Budget Committee review, to use the appropriation to the Financial Responsibility and Opportunity Growth Fund (Fund) in HEA 1001-2025 or augment the Fund for the purpose of providing funding to the Child Care and Development Fund voucher program in addition to the uses for the appropriation as authorized in HEA 1001-2025.

## [SEA 262, P.L. 133 - INSPECT PROGRAM](#)

**Author:** Sen. Mike Crider (R-Greenfield)

**Sponsor:** Rep. Lori Goss-Reaves (R-Marion)

**Policy Areas:** Public Safety, Healthy Communities

### **Summary of Provisions**

- Sets forth the circumstances in which a dispenser is not required to transmit certain information to the INSPECT Program (Program).
- Requires an opioid treatment program to, before reporting patient information to the Program, comply with federal regulations in obtaining patient consent.
- Allows the Board of Pharmacy to disclose prescription drug monitoring program data to a representative of the Indiana Department of Health and the Office of the Secretary of Family and Social Services for specified purposes.



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# Infrastructure and Transportation

**2026  
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## [SEA 179, P.L. 147 - INDIANA DEPARTMENT OF TRANSPORTATION](#)

**Author:** Sen. Mike Crider (R-Greenfield)

**Sponsor:** Rep. Jim Pressel (R-Rolling Prairie)

**Policy Areas:** Administration, Infrastructure and Transportation, Municipal Finance

### **Aim Comments**

SEA 179 was the Indiana Department of Transportation's annual agency bill. The enrolled act permits INDOT to assume the responsibilities and duties of the United States Department of Transportation in regard to certain federal environmental laws and removes the Department's civil immunity under certain circumstances. Most notably the new law allocates an additional \$75 million to the Community Crossings Matching Grant (CCMG) Fund that would allow for a spring call for municipalities who did not receive funding from the 2025 fall call. SEA 179 increases the CCMG 20% match population threshold from 10,000 to 12,500, allowing more communities to qualify for the lower match rate. The bill also permits INDOT to give preference in awarding grants from the fund to local units that have adopted an enhanced asset management plan. Lastly, moving forward, this new law separates municipal and county wheel taxes after December 31, 2026. Aim actively monitored and engaged on SEA 179 throughout the legislative session given the importance of municipal topics the bill addresses.

### **Summary of Provisions**

- Allows the Indiana Department of Transportation (Department) to assume the responsibilities and duties of the United States Department of Transportation with respect to certain federal environmental laws.
- Provides that the Department waives its civil immunity and consents to the jurisdiction of the federal courts for responsibilities and duties assumed under certain federal environmental laws.
- Amends language regarding a local unit's eligibility for:
  - (1) a grant from the Local Road and Bridge Matching Grant Fund (Fund); and
  - (2) a distribution from the Fund based on the local unit's share of total lane mileage.
- Provides limitations for an overweight truck permit that is issued for a single trip.
- Provides for the use of the Indiana Plane Coordinate System as a means to describe real property.
- Provides that the Department may give preference in awarding grants from the Fund to local units that have adopted an enhanced asset management plan.
- Provides that a county may impose a vehicle excise tax or wheel tax on a vehicle that is registered in the county and not registered in a municipality in the county where a vehicle excise tax or wheel tax went into effect after December 31, 2026.
- Amends certain requirements for township capital improvement plans.

The logo for AIM (Accelerate Indiana Municipalities) features the lowercase letters 'aim' in a bold, white, sans-serif font. The letter 'i' has a small white dot above it. The logo is set against a dark teal square background.

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Municipalities

# Municipal Finance

**2026  
STATEHOUSE  
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## [HEA 1210, P.L. 157 - DEPARTMENT OF LOCAL GOVERNMENT FINANCE](#)

**Author:** Rep. Craig Snow (R-Warsaw)

**Sponsor:** Sen. Travis Holdman (R-Markle)

**Policy Areas:** Administration, Community and Economic Development, Municipal Finance, Infrastructure and Transportation

### **Aim Comments**

HEA 1210 was the primary piece of legislation that touched on local government finance in the 2026 legislative session and it included follow-up from SEA 1- 2025.

Aim's top legislative initiative was amending the new local income tax system to stabilize the revenue outlook for cities and towns before the new system takes effect. HEA 1210 responds to these efforts by delaying the implementation of the new LIT system to 2029, allowing all cities and towns to opt into the county-wide municipal services rate, providing more flexibility in the Fire/EMS rate, creating a new formula for distributing the county-wide municipal services rate, and providing minimum debt protection allowances for the new LIT system. It also establishes Municipal Unit Strategic Taskforces (MUST) in each county where cities, towns, and counties can work together and plan for the new local income tax changes and report back to the General Assembly on their findings in order to encourage further discussions in 2027 on the optimal method of splitting up the local income tax rates. Aim encourages all units to participate in these meetings as the work continues on improving the local income tax system before it becomes effective, and the M.U.S.T meetings will be a critical component of the work ahead.

HEA 1210 also incorporates a long-standing Aim legislative initiative regarding modernizing the public notice process. Starting in 2028, the legal public notice requirement can be fulfilled on a municipality's website, instead of requiring publication in a newspaper. Utilizing local newspapers for public notices is still an option, but the additional flexibility provides new avenues to address publication timing issues and reduce costs for municipalities.

HEA 1210 also requires all contracts for municipal advisors to be posted on the municipality's website and the Gateway website. Prior versions of this language considered requiring periodic RFPs for municipal advisors, but throughout session, the language was amended to simply establish a transparency provision.

Additionally, HEA 1210 creates a new incentive for approving data center projects, allowing the municipality to capture 1% of the data center's sales tax exemption on its electric bills as revenue sharing if the project is approved.

Lastly, HEA 1210 prohibits local units from restricting the number of single-family rental homes starting in 2028. This policy was a response to ordinances passed by municipalities in central Indiana restricting rental properties aimed at large investors diluting the residential housing market.

### **Summary of Provisions**

- Requires a municipal entity that hires or retains a municipal advisor to publish a contract in a prominent location on the municipal entity's website.
- Modifies the amount of supplemental wagering tax that the Treasurer of State is required to pay to the riverboat operating in Gary and the distribution of wagering tax revenue to the city of Gary.
- Provides that the Lake County Convention Center Authority is established upon the substantial completion of the convention and event center.
- Establishes an alternative procedure for certain school corporations to issue refunding bonds.
- Requires state agencies and political subdivisions to cooperate with the state GIS officer in preparing a statewide base map.
- Eliminates the requirement that the Department of Local Government Finance (DLGF) work with the Office of Technology or another organization that is part of a state educational institution for purposes of posting information on the Indiana transparency website and submitting forms regarding data for local units.

- Allows a person to satisfy any notice statute by publishing notice in specified forms of media and modifies related provisions regarding notice by publication.
- Provides that in assessing or reassessing land, the land shall be assessed as agricultural land regardless of who owns the property or who is liable for the property taxes.
- Modifies procedures as to the reporting of assessment values of real and personal property and parcel level data.
- Changes the deadline for a county to submit to the DLGF data regarding real property, personal property, and geographic information system information.
- Requires the purchaser of a mobile home to process the paperwork with the Bureau of Motor Vehicles to transfer the title into the purchaser's name within 90 days of the sale.
- Specifies eligibility for certain townships to petition for an increase to the maximum property tax levy for the Firefighting and Emergency Services Fund.
- Makes procedural changes for civil taxing units not subject to levy limits.
- Provides that certain local property tax credits result in a reduction of property tax collections in a political subdivision in which such a credit is applied.
- Specifies the procedures for the submission of certain forms and related allocation amounts with regard to various allocation areas.
- Amends various tax increment financing allocation area provisions, including provisions to redefine "residential property" and to require the original owner of certain nonowner-occupied residential property in an allocation area to enter into a written agreement with the appropriate entity to pay the property taxes for the portion of outstanding bonds until the bonds are retired.
- Changes reporting requirements by governing bodies to the DLGF regarding guaranteed savings contracts and energy efficient programs used by school corporations.
- Provides that the property tax rate for the levy imposed for the replacement of fire protection territory equipment is considered part of the maximum permissible ad valorem property tax levy and may not exceed \$0.0333 per \$100 of assessed value.
- Extends a temporary increase in the capitalization rate percentage under the statewide agricultural land base rate determination.
- Requires the DLGF to annually publish on the Indiana Register the adjusted cost estimate threshold for certain local public work projects.
- Provides a real and personal property tax exemption for Indiana nonprofit senior living communities beginning with property taxes that are first due and payable in 2027.
- Adds the Indiana Historical Society, Inc. to a list of organizations exempt from property taxation.
- Allows certain taxpayers to retroactively file a property tax exemption application. Increases the amount of the property tax deduction for a model residence and a residence in inventory to 100% of the assessed value of the property for each deduction. Increases the number of model residences and residences in inventory from three to ten that may be claimed for purposes of those property tax deductions.
- Requires an individual to reside on the real property, mobile home, or manufactured home to be eligible for the over 65 property tax credit.
- Increases the property tax deduction for a veteran who is totally disabled to 100% of the assessed value of the individual's real property (instead of \$14,000).
- Expires property tax deductions for certain veterans, and instead provides a property tax liability credit.
- Restores the property tax deduction available to a surviving spouse of a World War I veteran that was limited by SEA 1-2025.
- Provides, if a taxpayer claims the homestead deduction for property that is not eligible for the deduction, that the taxpayer shall (instead of may) be liable for any additional taxes that would have been due on homestead property plus a civil penalty.
- Requires the county auditor to include in a notice of tax due a 10% fine as a penalty for claiming the homestead deduction falsely, which is in addition to all other penalties for which the taxpayer is liable.
- Allows the executive of Miami Township in Cass County to submit a petition to the DLGF requesting an increase in the township's maximum permissible ad valorem property tax levy for property taxes first due and payable in 2027.

- Requires the Hancock County fiscal body to adopt a resolution to allow a one time transfer of money from the library property tax replacement fund.
- Provides that for purposes of fixing and reviewing budgets, tax rates, and tax levies, before a county auditor makes an amendment, the county auditor must provide written notice to the county fiscal body, the DLGF, and the fiscal officers of the affected taxing units.
- Provides that the DLGF may not approve the budget for a political subdivision until an attestation statement concerning the uploading of contracts is submitted.
- Allows a school corporation to allocate the effects of supplemental homestead credits granted for property taxes first due and payable in 2026 proportionately among all the school corporation's property tax funds.
- Requires certain qualified data center users to enter into an agreement with local officials before the qualified data center user may use a specific transaction award certificate.
- Adds a provision regarding repayment in the redevelopment tax credit.
- Specifies eligibility and procedures for a health reimbursement arrangement income tax credit.
- Moves the effective date for the local income tax changes enacted in SEA 1-2025 from 2028 to 2029.
- Makes corresponding changes to move the expiration date regarding a county with a single voting bloc enacted in HEA 1142-2025.
- Specifies procedures for the imposition of local income taxes and distribution of local income tax revenue.
- Removes provisions enacted in SEA 1-2025 providing for the expiration of local income tax expenditure rates for counties or municipalities that fail to adopt an ordinance to renew an existing expenditure tax rate.
- Provides that the county may determine an allocation method for revenue raised from a tax rate for fire protection or emergency medical services.
- Provides that the county and certain township fire departments must receive an allocation of revenue raised from a tax rate for fire protection or emergency medical services.
- Provides a formula for the distribution of revenue from the local income tax rate imposed by a county for certain small cities and towns.
- Specifies procedures for determining population for purposes of a municipal local income tax rate.
- Specifies that taxing units may deposit distributions of excise tax revenue in any fund maintained by the taxing unit.
- Allows each county to establish a Municipal Unit Strategic Taskforce (MUST) framework to negotiate certain maximum local income tax rates.
- Allows the Marshall County jail fund to be used for costs otherwise incurred for the operation of the county jail.
- Provides that distributions of certain excise tax revenue to a taxing unit may be deposited in any fund maintained by the taxing unit and may be used for any purpose allowed by law.
- Makes numerous changes and additions to the local innkeeper's tax and food and beverage tax statutes, including new food and beverage tax authorizations, modifications to distributions of innkeeper's tax revenue, and revisions to the composition of various innkeeper's tax boards and commissions.
- Replaces the definitions of "manufactured home" and "mobile home" throughout the Indiana Code with a singular definition.
- Subject to an exception, limits voting eligibility in a homeowners association to members of the homeowners association who use their property as a homestead as to certain matters.
- With certain exceptions, prohibits a unit from adopting or enforcing an ordinance, resolution, regulation, policy, or rule that prohibits or restricts an owner of a privately owned residential property from using the property as a rental property.
- Retroactively amends the definition of "short term rental" to specify that certain private, owner occupied businesses are excluded from that definition.
- Requires a person appointed to a fire protection district board of trustees to reside in the fire protection district.
- Sets forth an alternative procedure that may be used to appoint the board of trustees of certain fire protection districts.
- Specifies maximum property tax rates for certain fire protection territories.

- Revises a provision of the municipal Barrett Law concerning deferred installments.
- Amends provisions in the drainage law as to bidding on certain projects and the term of loans.
- Authorizes the budget agency, subject to budget committee review, to augment the state agency contingency fund appropriations in HEA 1001-2025 through July 1, 2027, in an amount not to exceed \$40,000,000 for Indiana Office of Technology contracts, in addition to the uses for the appropriation authorized in HEA 1001-2025.

## SEA 163, P.L. 114 - VARIOUS PROPERTY TAX MATTERS

**Author:** Sen. Linda Rogers (R-Granger)

**Sponsor:** Rep. Craig Snow (R-Warsaw)

**Policy Areas:** Municipal Finance

### Summary of Provisions

- Provides that a county board or assessing official shall not enter a property to conduct a physical inspection without first receiving the permission of the taxpayer to enter the property.
- Provides that under specific circumstances, that an individual may serve as a tax representative of any taxpayer concerning property subject to property taxes.
- Changes the expiration date for the county option circuit breaker tax credit.
- Describes elements that must be included in a report that must be prepared by the Department of Local Government Finance and presented to an interim study committee regarding automated valuation systems.

## SEA 212, P.L. 1 - STATE INCOME TAX CONFORMITY

**Author:** Sen. Travis Holdman (R-Markle)

**Sponsor:** Rep. Jeff Thompson (R-Lizton)

**Policy Areas:** Municipal Finance

### Summary of Provisions

- Amends the definition of "Internal Revenue Code" to conform with certain provisions enacted in Public Law 119-21 (H.R. 1) (commonly known as the One Big Beautiful Bill Act of 2025).

## SEA 243, P.L. 128 - VARIOUS TAX MATTERS

**Author:** Sen. Travis Holdman (R-Markle)

**Sponsor:** Rep. Jeff Thompson (R-Lizton)

**Policy Areas:** Municipal Finance

### Summary of Provisions

- Amends and adds state income tax statutes to conform with certain provisions enacted in Public Law 119-21 (H.R. 1) (commonly known as One Big Beautiful Bill Act of 2025).
- Specifies rounding provisions for cash transactions with regard to the penny phaseout. Amends state income tax withholding provisions for gambling winnings.
- Amends the definition of "contribution" for purpose of the state income tax credit for contributions to an ABLE Account.
- Amends provisions regarding computation of specified research or experimental expenditures.
- Authorizes the Department of State Revenue (Department) to mail documents electronically through its online tax system.
- Allows taxpayers to request to receive all documents from the Department through the Department's online tax system.
- Makes changes to certain tax warrant procedures.
- Extends the deadline for filing Revenue Agent Report (RAR) adjustments from 180 days to one year from the Internal Revenue Service's finalization of the federal adjustments.
- Amends the statute of limitations for issuing assessments and refunds based on an RAR to one year.
- Adds certain sales tax enforcement provisions regarding motor vehicles, cargo trailers, aircraft, and watercraft.

- Amends provisions regarding confidentiality of tax information.
- Makes various changes to the cigarette tax chapter, the petroleum severance tax chapter, and the alcoholic beverage excise tax chapters.
- Specifies the liability of responsible persons for trust fund taxes. Defines the term “responsible person” with regard to trust fund taxes.
- Specifies application of the Indiana adoption tax credit.
- Revises provisions in the pass through entity tax regarding credit for taxes paid to another state.
- Amends provisions in the tax amnesty program.
- Specifies the determination of estimated tax penalties.
- Makes amending changes to the aircraft license excise tax.



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# Public Safety

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## [HEA 1155, P.L. 54 - TRAFFIC ENFORCEMENT](#)

**Author:** Rep. Ed Soliday (R-Valparaiso)

**Sponsor:** Sen. Ed Charbonneau (R-Valparaiso)

**Policy Areas:** Community and Economic Development, Public Safety

### **Summary of Provisions**

- Establishes a Traffic Enforcement on Private Roads pilot project. Provides that a subdivision:
  - (1) that is subject to governance authority by a homeowners association;
  - (2) that contains at least 1,500 lots; and
  - (3) with at least 15 miles of private road that are owned and maintained by the homeowners association; may establish maximum speed limits and designate intersections at which a vehicle is required to stop.
- Provides that a law enforcement officer has all police powers necessary to enforce the laws of the state for the regulation and use of vehicles on the private roads within the subdivision governed by the homeowners association.
- Provides that, with the exception of maximum speed limits and stop signs established by the homeowners association, a law enforcement officer may not enforce other rules or requirements established by the homeowners association.
- Provides that, with certain requirements, a homeowners association may enter into an agreement with or employ an off-duty law enforcement officer.
- Provides that the pilot program expires July 1, 2028.

## [HEA 1250, P.L. 57 - PUBLIC SAFETY PROCEDURES](#)

**Author:** Rep. Tim O'Brien (R-Evansville)

**Sponsor:** Sen. Cyndi Carrasco (R-Indianapolis)

**Policy Areas:** Public Safety

### **Summary of Provisions**

- Requires the Department of Correction to electronically notify, at least seven days in advance, the:
  - (1) county sheriff;
  - (2) prosecuting attorney; and
  - (3) chief of police; of the county or municipality into which the department will release a serious violent felon, including a juvenile adjudicated for an act that would be a serious violent felony, and of the county or municipality where the serious violent felon or juvenile committed the offense.
- Requires the Department of Correction to notify a registered victim through the Department's automated victim notification system.
- Requires:
  - (1) a court; and
  - (2) the prosecuting attorney or the prosecuting attorney's victim assistance program; to notify a victim of the automated victim assistance notification program, and provides that a victim has the right to be informed, upon request, about the progress of the criminal case involving the victim.
- Requires that, before hiring a person as a law enforcement officer, a law enforcement hiring department or agency shall request from prior law enforcement employers all documents relating to disciplinary action or internal investigations that involve the person. (Under current law, a hiring agency must request all findings and orders).

## [HEA 1343, P.L. 94 - PUBLIC SAFETY MATTERS](#)

**Author:** Rep. Steve Bartels (R-Eckerty)

**Sponsor:** Sen. Scott Baldwin (R-Noblesville)

**Policy Areas:** Public Safety, Courts, Criminal Code

### **Summary of Provisions**

- Provides that the Law Enforcement Training Board (Board) shall select an executive director to serve at the pleasure of the Board.

- Authorizes the waiver of certain training requirements for law enforcement officers with experience in other states.
- Provides that a person confined to a county jail may be required to make a copayment in an amount of not more than \$30 (current law is \$15).
- Provides that a person confined to a county jail is not required to make a certain copayment if, among other things, the person does not have funds in the person's commissary account or trust account within 180 days after the service is provided (current law is 60 days).
- Requires certain water vessels to include an engine cut-off switch.
- Provides that a sailing vessel at least seven meters in length must comply with federal regulations.
- Makes changes to the employment eligibility requirements for employees of the Indiana Department of Veterans' Affairs (Department).
- Makes changes to the purpose of the Military Family Relief Fund (Fund).
- Provides that the Department shall report to the Indiana Veterans' Affairs Commission (Commission), at least quarterly, as to the status of all applications regarding assistance from the Fund during the previous quarter.
- Adds provisions indicating who is eligible for a grant from the Fund.
- Provides that the Department shall make a comprehensive assessment of an applicant's financial condition and needs when making a determination regarding an award from the Fund.
- Provides that an applicant may not be eligible for assistance from the Fund if the applicant's federal gross income, or the combined federal gross income of the applicant and the applicant's spouse, exceeds two times the poverty guideline unless the Commission approves an income waiver.
- Provides that an applicant must establish that the applicant has incurred a genuine hardship to be eligible to receive assistance from the Fund.
- Provides that the Department or Commission may impose stipulations or conditions concerning an applicant seeking an award from the Fund.
- Makes changes to the subject matter that must be included in administrative rules established by the Commission.
- Makes certain changes relating to the review of grants from the Fund to employees of the department.
- Provides that an applicant may appeal a denied request for short term financial assistance from the Fund.
- Authorizes the Adjutant General of the Indiana National Guard (Adjutant General) to establish a military police force of the Indiana National Guard.
- Provides that a member of the military police force of the Indiana National Guard has police powers:
  - (1) when the member is called to state active duty; and
  - (2) if the individual successfully completes either army or air military police occupational training and receives qualifying instruction on Indiana law enforcement prescribed by the Adjutant General.
- Requires the military police force of the Indiana National Guard, upon authorization, to respond in accordance with the National Incident Management System and in coordination with the Indiana State Police.
- Makes changes to the authorized duties and responsibilities of the Adjutant General in which the State Armory Board (Board) may make contributions.
- Provides that the Board may utilize any and all appropriate methods to lease or purchase real estate.
- Provides that an armory may not be erected on land that is leased for less than 25 years. (Current law provides that an armory may not be erected on land that is leased for less than 50 years.)
- Provides that the Board may adopt policies or procedures for the use and governance of armories. (Current law authorizes the Board to adopt rules for the use and governance of armories.)
- Specifies the types of donated property that the Board may reconvey if the Board determines that the property is no longer usable.
- Provides that if the Board receives from the Adjutant General information of the disbandment of the organization of the armed forces of Indiana occupying and using an armory, the Board shall take charge of the armory.
- Makes various changes to provisions relating to the sale of property owned by the Board.
- Establishes the Indiana Civilian Cyber Corps Program (Program) as a subdivision of the Indiana Guard

Reserve.

- Provides that the Program includes civilian volunteers who have expertise in addressing cybersecurity incidents and who volunteer at the invitation of the Adjutant General.
- Provides that the work product of a civilian cyber corps volunteer or adviser, including any information voluntarily submitted to the volunteer or adviser, is exempt from disclosure.
- Provides that a civilian cyber corps volunteer or adviser is immune from tort liability for an injury to a person or damage to property that occurs while the volunteer or adviser is deployed and acting on behalf of the Adjutant General if certain conditions are met. Provides that the Adjutant General may appoint additional general officers. (Current law authorizes the appointment of assistant adjutants general.)
- Changes the definitions of “veteran” for purposes of provisions relating to:
  - (1) the governor’s commission on supplier diversity;
  - (2) the state civil service system; and
  - (3) authorizing preference points for the appointment of veterans.
- Removes a requirement that the National Guard tuition supplement grant must be used within eight years after the date the individual first applies and becomes eligible for benefits.
- Repeals:
  - (1) the Indiana Cyber Civilian Corps Program Advisory Board;
  - (2) a provision relating to contracts to use Stout Field as a commercial runway;
  - (3) a definition of “qualified service member”;
  - (4) a provision requiring a muffler or underwater exhaust for a boat; and
  - (5) a provision prohibiting the use of a boat motor equipped with a muffler cutout or bypass.
- Makes it a Class B misdemeanor for a person to knowingly or intentionally possess an imitation firearm:
  - (1) in or on school property; or
  - (2) on a school bus.
- Makes technical corrections and conforming amendments.

### [SEA 140, P.L. 146 - PUBLIC SAFETY](#)

**Author:** Sen. Vaneta Becker (R-Evansville)

**Sponsor:** Rep. Alex Zimmerman (R-North Vernon)

**Policy Areas:** Criminal Code, Public Safety

#### **Summary of Provisions**

- Amends the definition of “threat” in the intimidation statute to include posting a person’s personal information on a social media platform with the intent to cause:
  - (1) bodily injury to the person;
  - (2) damage to the person’s property; or
  - (3) the commission of a crime against the person.
- Increases the penalty for intimidation if committed against a legislator.

### [SEA 148, P.L. 70 - INDIANA CRIME GUNS TASK FORCE](#)

**Author:** Sen. Rodney Pol (D-Chesterton)

**Sponsor:** Rep. Chris Jeter (R-Fishers)

**Policy Areas:** Public Safety

#### **Summary of Provisions**

- Beginning July 1, 2027, adds LaPorte County and Porter County to the task force area of the Indiana Crime Guns Task Force (Task Force), and specifies the number required for a quorum and to take official action in the event of a tie vote.

### [SEA 160, P.L. 112 - PUBLIC SAFETY](#)

**Author:** Sen. Spencer Deery (R-West Lafayette)

**Sponsor:** Rep. Danny Lopez (R-Carmel)

**Policy Areas:** Criminal Code, Public Safety

### Summary of Provisions

- Makes wearing a mask during the commission of a criminal offense a sentencing aggravator.
- Makes it malicious littering, a Class A misdemeanor, for a person to place refuse on the property of another person with the intent to cause the owner or occupant of the property to reasonably fear for their physical safety.

### [SEA 285, P.L. 138 - HOUSING MATTERS](#)

**Author:** Sen. Cyndi Carrasco (R-Indianapolis)

**Sponsor:** Rep. Alex Zimmerman (R-North Vernon)

**Policy Areas:** Administration, Public Safety, Community and Economic Development, Healthy Communities, Criminal Code

### Aim Comments

SEA 285 is a housing related policy that addresses circumstances surrounding homelessness. This is topic has been an ongoing discussion in the General Assembly over the last couple of years. The new law prohibits individuals from public camping, sleeping, or sheltering long-term on land owned by the State of Indiana or by a political subdivision. Exceptions are available if the land is specifically authorized for that use by statute.

If circumstances permit, law enforcement may detain an individual under Indiana's emergency detention process, and they may later be charged with a Class C misdemeanor. Aim watched this legislation closely as it moved through session because it created a statewide framework for all municipalities, specifically communities who currently have programs and policies surrounding homelessness.

### Summary of Provisions

- Requires the Indiana Housing and Community Development Authority (Authority) to establish eligibility criteria for a potential recipient to be included in the Authority's application for funding under the Federal Continuum of Care Program (Program).
- Requires a recipient of Program funding to submit an annual report to the Authority.
- Defines "gravely disabled" for purposes of involuntary commitment.
- Prohibits an individual from camping, sleeping, or using for long term shelter land owned by the state or a political subdivision, unless the land has been authorized for that use by law.
- Requires a law enforcement officer who discovers a person unlawfully using land owned by the state or a political subdivision for unlawful camping, sleeping, or long term shelter to determine if there are reasonable grounds for an emergency detention of the person, and, if reasonable grounds exist, to proceed under the emergency detention procedure and not the criminal law.
- Provides that, if there are not grounds for emergency detention and certain elements are met, a person who knowingly or intentionally uses land owned by the state or a political subdivision for unauthorized camping, sleeping, or long term shelter commits a Class C misdemeanor.
- Creates a defense to the crime if:
  - (1) no beds are available in a shelter or treatment facility located within five miles; or
  - (2) less than six months have passed since the person was released from a facility to which the person was involuntarily committed.
- Prohibits a political subdivision from adopting or enforcing any policy that prohibits or discourages the enforcement of any order or ordinance prohibiting public camping, sleeping, or other obstruction of a sidewalk.
- Requires:
  - (1) each local law enforcement agency to provide to the state police department the number of arrests made for violations of the prohibition of street camping; and
  - (2) the state police department to provide this information to the authority.
- Specifies that the bill does not prohibit a policy, program, or order of a political subdivision that encourages a diversion program or encourages or requires providing housing or shelter in lieu of a citation or arrest.



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# **Innovation and Technology**

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## [HEA 1042, P.L. 49 - REGULATION AND INVESTMENT OF CRYPTOCURRENCY](#)

**Author:** Rep. Kyle Pierce (R-Anderson)

**Sponsor:** Sen. Kyle Walker (R-Lawrence)

**Policy Areas:** Community and Economic Development, Municipal Finance, Technology and Innovation

### **Aim Comments**

HEA 1042 is an effort to create a regulatory framework around cryptocurrencies in the state of Indiana. The enacted bill tasks the Department of Financial Institutions with creating a regulatory framework for crypto and allows crypto investment in the defined contribution accounts in the Indiana Public Retirement System. For local governments, it prohibits ordinances that ban the use of cryptocurrency and digital asset mining (except as normally regulated by planning and zoning). This regulation is meant to be a proactive policy to stay in front of crypto developments in Indiana.

### **Summary of Provisions**

- Provides that the following shall offer, as a regular investment program, a self directed brokerage account that offers at least one cryptocurrency investment option:
  - (1) The Legislators' Defined Contribution Plan.
  - (2) The Hoosier START Plan.
  - (3) Specified public employees' retirement fund plans and accounts.
  - (4) Specified teachers' retirement fund plans and accounts (including the Teachers' Pre-1996 Account).
- Prohibits a public agency, other than the Department of Financial Institutions, or a county, municipality, or township from adopting or enforcing a rule, ordinance, or other regulation that does any of the following:
  - (1) Prohibits, restricts, or impairs an individual's ability to:
    - (A) accept digital assets as a method of payment for legal goods and services; or
    - (B) take custody of digital assets using specified technologies.
  - (2) Imposes taxes or fees on:
    - (A) use or acceptance of digital assets as a method of payment for legal goods and services; or
    - (B) taking or maintaining custody of digital assets using a self-hosted wallet or hardware wallet; that are not applicable to comparable financial transactions that do not involve digital assets.
  - (3) Prohibits, restricts, or impairs the ability of an individual or business to engage in specified activities pertaining to blockchains.
- Prohibits a public agency, other than the Department of Financial Institutions, from adopting or enforcing a rule, ordinance, or other regulation that prohibits operation of a digital mining business.
- Prohibits a county, municipality, or township from adopting or enforcing a rule, ordinance, or other regulation that does any of the following:
  - (1) Prohibits a digital asset mining business from operating in an area zoned for industrial use, or subjects a digital asset mining business located in an area zoned for industrial use to noise restrictions that are not applicable to other businesses operating in an area zoned for industrial use.
  - (2) Prohibits private digital asset mining in a private residence located in an area that is zoned for residential use, or subjects private digital asset mining in a residence located in an area zoned for residential use to noise restrictions that do not apply to other residences in an area zoned for residential use.
- Provides that development or use of software for noncustodial transfer of digital assets does not constitute money transmission for purposes of statutes regarding licensure of money transmitters.
- Provides that a court may compel a person to disclose a digital asset private key only if no other admissible information is sufficient to provide access to the digital asset.



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# Utilities

**2026  
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## **HEA 1002, P.L. 36 - ELECTRIC UTILITY AFFORDABILITY**

**Author:** Rep. Aliana Shonkwiler (R-Noblesville)

**Sponsor:** Sen. Eric Koch (R-Bedford)

**Policy Areas:** Utilities

### **Summary of Provisions**

- Requires an electricity supplier, other than a municipally owned utility, that is under the jurisdiction of the Indiana Utility Regulatory Commission (IURC) to do the following:
  - (1) Beginning with the first monthly billing cycle that begins after June 30, 2026, apply a Levelized Billing Plan (Plan) to all active residential customer accounts:
    - (A) for service provided under the electricity supplier’s Standard Residential Tariff to a household that is eligible for and has applied for assistance from the state’s Home Energy Assistance Program; and
    - (B) to which a Plan does not already apply.
  - (2) Not later than April 1, 2026, offer each customer a mechanism by which the customer may opt out of a Plan at any time without penalty.
  - (3) Not later than July 1, 2026, for any Plan offered by the electricity supplier and applied to an active customer account, amend or design the Plan so that Plan’s account reconciliation mechanism is applied at such times during a calendar year to reflect typical seasonal patterns of electricity usage by residential customers, but not more than two times during a calendar year.
- Prohibits an electricity supplier from referring to or promoting a Levelized Billing Plan as a “budget billing plan” unless the Levelized Billing Plan also provides other specified forms of relief for customers. Authorizes the IURC to adopt rules to implement these provisions.
- Amends existing law granting the IURC the authority to take certain actions with respect to the rates and services of public utilities during emergency circumstances, as judged by the IURC, to provide instead that the IURC may recommend that the governor declare a disaster emergency or proclaim a State of Energy Emergency during which the IURC may take such actions.
- Specifies that the emergency must result from:
  - (1) a national economic depression;
  - (2) an act of war; or
  - (3) a disaster of unprecedented size and destructiveness.
- Provides that an electric utility, other than a municipally owned utility, may not terminate residential electric service to a customer on any day with respect to which the National Weather Service has forecast, not earlier than 48 hours in advance, a heat index of at least 95 degrees for the location where the customer receives service.
- Requires an electricity supplier, other than a municipally owned utility, that is under the jurisdiction of the IURC for the approval of rates and charges to report to the Office of Utility Consumer Counselor (OUCC) on a quarterly basis certain data concerning residential customer accounts.
- Requires the OUCC to annually compile and summarize the information contained in the reports and include the summary in the OUCC’s annual report to the interim study committee on Energy, Utilities, and Telecommunications.
- Provides that an investor owned electricity supplier that is under the jurisdiction of the IURC for the approval of rates and charges must petition the IURC for approval of any change in its basic rates and charges through the submission of a three-year Multi-Year Rate Plan (MYRP).
- Beginning in 2026, requires each electricity supplier to file its first petition with the IURC for approval of an MYRP according to a prescribed schedule.
- Provides that the base rates for the first rate year of an MYRP shall be established by the IURC in the same manner that base rates would be established in a proceeding for a change in basic rates and charges that occur outside an MYRP.
- Specifies that in a petition to the IURC for a multi-year plan, an electricity supplier must include certain information in its case in chief.
- Provides that for each rate year in an electricity supplier’s MYRP, the following apply:
  - (1) A Customer Affordability Performance Metric and an associated Performance Incentive Mechanism (PIM) that:

- (A) is based on the electricity supplier's performance in meeting the Customer Affordability Performance Metric; and
- (B) provides financial rewards or penalties to the electricity supplier based on that performance.
- (2) A Service Restoration Performance Metric and an associated PIM that:
  - (A) is based on the electricity supplier's performance in meeting the Service Restoration Performance Metric; and
  - (B) provides financial rewards or penalties to the electricity supplier based on that performance.
- Sets forth the methods by which the IURC must calculate the prescribed performance metrics and determine the associated PIMs.
- Sets forth specified findings the IURC must make in approving an electricity supplier's MYRP.
- Provides that at any time before the expiration of an electricity supplier's approved MYRP, the IURC may, upon its own motion, or at the request of the OUCC or the electricity supplier:
  - (1) examine the electricity supplier's rates under the MYRP;
  - (2) conduct periodic reviews with opportunities for public hearings and comments; and
  - (3) adjust the base rates or PIMs under the MYRP.
- Beginning in 2029, requires the IURC to include in its annual report certain information about:
  - (1) the status of electricity suppliers' MYRP filings and current MYRPs;
  - (2) electricity suppliers' calculated performance metrics for the current rate year; and
  - (3) the impact of all applicable PIMs on customer rates.
- Requires the IURC to adopt rules to implement these provisions.
- Requires an electricity supplier, other than a municipally owned utility, that is under the jurisdiction of the IURC to offer, not later than July 1, 2026, a Low Income Customer Assistance Program (Program) that provides financial assistance to low income residential customers for the payment of monthly bills for utility service.
- Requires an electricity supplier to annually fund its Program in an amount equal to:
  - (1) at least 0.2% of the electricity supplier's jurisdictional revenues for residential customers; plus
  - (2) any contributions from governmental agencies or programs or from other third parties.
- Provides that if a customer who applies for assistance is eligible for assistance under the Program, the electricity supplier shall enroll the customer in the Program.
- Provides that an electricity supplier may, but is not required to, petition the IURC for approval to recover eligible program costs.
- Provides that "eligible program costs" do not include costs recovered by the electricity supplier through contributions that are provided at no cost to the electricity supplier.
- Beginning in 2027, requires the IURC to include each year in its annual report specified information concerning each electricity supplier's Program with respect to the most recently concluded state fiscal year.
- Requires the IURC to adopt rules to implement these provisions.

## [SEA 6, P.L. 65 - EXTENSION OF WATER OR WASTEWATER MAINS](#)

**Author:** Sen. Rick Niemieyer (R-Lowell)

**Sponsor:** Rep. Hal Slager (R-Schererville)

**Policy Areas:** Community and Economic Development, Utilities

### **Aim Comments**

SEA 6 establishes new notice and transparency requirements for municipally owned utilities seeking to extend water or wastewater service outside their boundaries or existing service territory. Utilities must notify affected landowners and county plan commissions, post project details online, and offer meetings with interested landowners. After meeting these requirements, the projects can proceed as intended. Beginning in 2027, the IURC must also report annually on any delays, complaints, or disputes related to these projects.

Aim engaged with the author of the bill to improve the language requiring municipally owned utilities to provide notices to the affected landowners for water line extension projects. Originally, the bill would have added several additional steps for utilities, but Aim, along with other stakeholders, was successful in limiting the requirements in the bill and ensuring the changes would be minimal to not further delay extension

projects.

### Summary of Provisions

- Provides that before a Municipally Owned Utility (Utility) may condemn land for the extension of a water main or a wastewater main that is located outside:
  - (1) the corporate boundaries of the municipality; or
  - (2) the existing service territory of the Utility; the Utility must provide, by mail, written notice to each landowner whose land is needed for the extension and to the county plan commission for the county in which the extension project is proposed.
- Sets forth the information that must be included in the required notices.
- Requires the:
  - (1) Utility to post on the Utility's website; and
  - (2) county in which the extension project is proposed to post on the county's website; certain information about the proposed extension project.
- Provides that a landowner or a county plan commission that receives a notice from a Utility under the bill's provisions may, not later than 30 days after receiving the notice, request in writing a meeting with the Utility regarding the proposed extension project.
- Provides that upon receiving such a request, the Utility shall offer to meet with the landowner or county plan commission not later than 30 days after the Utility's receipt of the request.
- Authorizes a Utility to proceed with a proposed extension project if the Utility has satisfied the bill's notice requirements.
- Beginning in 2027, requires the Indiana Utility Regulatory Commission (IURC) to include in its annual report the following information with respect to the most recently concluded state fiscal year:
  - (1) Any reported delays in an extension project that a Utility attributes to any of the bill's requirements.
  - (2) Any complaints or disputes arising under the bill's provisions that are submitted to the IURC.
  - (3) Any action taken by the IURC with respect to any reported delays, complaints, or disputes arising under the bill's provisions.

### [SEA 240, P.L. 126 - SURPLUS INTERCONNECTION SERVICE](#)

**Author:** Sen. Eric Koch (R-Bedford)

**Sponsor:** Rep. Ed Soliday (R-Valparaiso)

**Policy Areas:** Utilities

### Summary of Provisions

- Defines "surplus interconnection service" (SIS), with respect to established interconnection service connecting an electric generating facility with an electric transmission system, as any portion of that service that:
  - (1) has not been used; and
  - (2) is not reasonably expected to be needed; the use of which would result in the total amount of interconnection service at the point of interconnection remaining the same.
- Provides that an electric utility that is required to file Integrated Resource Plans (IRPs) with the Indiana Utility Regulatory Commission (IURC) must include in any IRP filed after December 31, 2029, an analysis of the potential for SIS to meet immediate needs for capacity and energy at utility owned facilities.
- Provides that with respect to any petition filed with the IURC after December 31, 2029, for a certificate of public convenience and necessity for the construction, purchase, or lease of an electric generation facility, the IURC shall consider whether:
  - (1) the petitioner has conducted an analysis of the use of SIS as an alternative to, or in conjunction with, the proposed construction, purchase, or lease of the facility; and
  - (2) the proposed construction, use, or lease of the facility will make use of, or allow for the use of, SIS.
- Requires the IURC to conduct a study to evaluate the potential use of SIS by electric utilities.
- Sets forth specific topics that the IURC must evaluate as part of the study.
- Requires the IURC to include in its 2027 annual report its findings with respect to the topics evaluated in the study.

## SEA 241, P.L. 127 - UTILITY SERVICE ENHANCEMENT IMPROVEMENT COSTS

**Author:** Sen. Eric Koch (R-Bedford)

**Sponsor:** Rep. Ed Soliday (R-Valparaiso)

**Policy Areas:** Utilities

### **Summary of Provisions**

- Amends the statute that authorizes a conservancy district providing water service to withdraw from the jurisdiction of the Indiana Utility Regulatory Commission (IURC) if the conservancy district serves less than 2,000 customers, so as to authorize a withdrawal from the IURC's jurisdiction if the conservancy district serves less than 3,000 customers.
- Amends the existing statute authorizing alternative regulatory procedures for water or sewer utilities with customer bases not exceeding specified numbers to include within the scope of the statute a procedure that promotes economic development opportunities in rural areas while providing just and reasonable protections to a utility's existing ratepayers.
- Prohibits a Water or Wastewater Utility (Utility) from charging or collecting a capacity related fee or a tap fee to an eligible customer for connecting workforce housing to the utility's Water or Wastewater System (System) under certain circumstances.
- Provides that if the Utility determines that the extension of service to the workforce housing will not result in a positive contribution to the utility's overall cost of service over a 20 year period, the utility may charge and collect from the eligible customer a capacity related fee or a tap fee that does not exceed the difference between:
  - (1) the otherwise applicable capacity related fee or tap fee; minus
  - (2) the contribution to the utility's overall cost of service over a 20 year period that will result from the extension of service to the workforce housing.
- Provides that for purposes of these provisions, an "eligible customer" means a not-for-profit organization that:
  - (1) has entered into an agreement with the Indiana Housing and Community Development Authority under which the person will construct workforce housing in Indiana; and
  - (2) seeks to connect the workforce housing to the system of a Utility under the terms of a special contract with the Utility.
- Authorizes a water or wastewater utility that is eligible under existing law to recover costs for Service Enhancement Improvements (Eligible Utility) to adjust the statutory adjustment tracker to reflect certain per unit chemical and power costs if those costs have increased or decreased by more than 3% over the two most recent years.
- Provides that if the costs:
  - (1) have increased by more than 3% over the two year period, the amount of the adjustment shall be included in the adjustment rider as an expense; or
  - (2) have decreased by more than 3% over the two year period, the amount of the adjustment shall be included in the adjustment rider as a credit.
- Provides that an Eligible Utility is not required to seek preapproval of a plan from the IURC in order to seek recovery of the costs of chemicals and power.
- Requires an Eligible Utility for which the IURC has issued an order approving an adjustment rider for the recovery of chemical or power costs to file a petition for a change in its adjustment amount:
  - (1) not later than 30 days after the end of each 12 month period after the date of the IURC's order approving the adjustment rider; and
  - (2) until the IURC issues an order in the eligible utility's next general rate case.
- Specifies that the costs of chemicals and power may be recovered in full and without deferring 20% of the costs for recovery as part of the Eligible Utility's next general rate case.



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**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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