



Indiana Association *of*
Cities and Towns

2014 IACT Statehouse Report

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Business Personal Property Tax Elimination Takes Center Stage

Only a few years ago, we were discussing the issue of property tax caps. In 2010, Indiana voters made the choice via referendum for property tax cap protections to be part of the Indiana Constitution. Taxpayers now receive the protection that their property taxes cannot be more than a certain percentage of their property value (either one, two or three percent depending on the type of property). While a taxpayer receives a credit for any amount they should be paying above the capped amount, the amount credited is revenue that local governments cannot collect – a loss to local government budgets. Even though, local governments voiced concern over property tax caps and the severity of the lost revenue, Governor Daniels and the legislature moved forward explaining that local governments needed to diversify revenue sources so as to ease the burden on property taxes. They also explained that as tax bases grow and expand, tax cap loss will be mitigated. Unfortunately, for local governments, the opposite has happened. First, the legislature has not permitted local governments to diversify their revenue sources (example: HB 1326, an IACT initiative permitting municipalities to have a local food and beverage tax option did not pass this year). Second, in addition to the economic downtown and mortgage foreclosure crisis in 2009 which naturally caused the local tax base to shrink, this year Governor Pence and the legislature pushed for more elimination of the tax base. At the urging of the business community, they pushed for elimination of business personal property taxes (BPPT) and passed SB 1.

After the blow to local budgets with the property tax caps, a further cut to local budgets is something IACT knew we had to take a strong stance against. With the proposal of eliminating BPPT on the table, IACT organized the *Replace Don't Erase* coalition. This coalition of over twenty local government groups met continually at the IACT offices during session. Through press conferences and media releases, the coalition urged the legislature to guarantee that there would be 100% state replacement revenue for local governments should they decide to pass a BPPT elimination bill. SB 1 was ultimately the bill that passed providing local options for BPPT to be eliminated. However, there is still more work and study to be done through the Blue Ribbon Commission that the law establishes. Read more about SB 1 on page 30.

While BPPT was the headlining issue this session, a couple of other issues rose to the top of the priority list as well – Tax Increment Financing (TIF) and Annexation being two. This session a comprehensive TIF bill passed – SB 118. It contains several provisions which we have discussed and tweaked over the last couple of years. However, it also contains a provision to eliminate long standing TIF areas sometimes referred to as “Legacy TIFs” that were created before July 1, 1995. Under the provisions of SB 118, the Legacy TIF areas must expire, however, the final expiration date may be as long as the year 2040. Read more about SB 118 on page 22. As for the annexation bill, you won't find a write up in the statehouse report of SB 273. That's because it failed on the Senate floor by a 24-24 vote on the final day of session. IACT had been agreeable to a compromise on that bill, but when it drastically changed on the morning of the final day of session to require county commissioners to approve certain annexations, IACT changed its position from neutral to OPPOSE. We sent out our Action Alert email and asked members to call or email their legislator

to stop the bill. Amazingly, we got that done in the final hours and the bill was killed. If you made the calls, we thank you!

It was another tough year for municipalities with rental housing inspection programs. HB 1403 passed into law which allows rental property owners to conduct self-arranged inspections instead of being subject to local government inspections. Read about that bill on page 41.

Again this year, there was much discussion of extension of water and sewer lines to properties outside of the municipal boundaries – see HB 1187 and SB 53. We see a definite need to further educate legislators on the correlation between municipal water and sewer extensions, annexation, and economic development/job creation. The three all fit together, but most of the time, they are dealt with separately at the General Assembly.

The 2014 statehouse report contains a listing of the enrolled acts that we feel are most important to municipalities. The provisions in the act will become law on their stated effective dates. Many are effective July 1, 2014, but some may be retroactive or have effective dates that are further in the future. To view the legislation containing the effective dates, type in the bill number on the General Assembly's webpage, www.iga.in.gov and click on the *latest version* button. If you have questions about legislation and you need IACT's help, you can reach a member of the IACT legislative team by calling (317) 237-6200.

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Administration

Levee Associations (HEA 1053, P.L. 118-2014)

Author: Mark Messmer

Sponsor: Carlin Yoder

- Specifies that certain levee districts or associations that were created under a statute that was repealed and were allowed to continue after the statute was repealed are subject to the laws concerning levee associations.

Annexation of Noncontiguous Property (HEA 1099, P.L. 207-2014)

Author: Rick Niemeyer

Sponsor: Ed Charbonneau

- Allows a municipality to annex property that is not contiguous to the municipality and is occupied by: (1) a municipally owned or operated wastewater treatment facility or water treatment facility; or (2) a police station of the municipality.
- Provides that if a municipality annexes such territory, the municipality may annex additional territory to enlarge the territory for the use of the wastewater treatment facility or water treatment facility only if the county legislative body approves that use of the additional territory by ordinance.
- Provides that certain municipalities may appeal an annexation on the basis that the annexed territory is not contiguous to the annexing municipality.
- Specifies that certain annexed territory may not be considered a part of the municipality for purposes of annexing additional territory and may not be considered a part of the corporate boundaries of the municipality for certain purposes under zoning laws.

Alternative Transportation Funding Mechanisms (HEA 1104, P.L. 208-2014)

Author: Ed Soliday

Sponsor: Thomas Wyss

- Requires the Indiana department of transportation to contract with a third party for a study of alternative funding mechanisms for the maintenance of Indiana's transportation infrastructure.

Political Activity on Homeowners Association Property (HEA 1134, P.L. 73-2014)

Author: Rochelle VanDenburgh

Sponsor: Joseph Zakas

- Provides that a homeowners association may not adopt or enforce a rule or covenant that prohibits, or has the effect of prohibiting: (1) a candidate; (2) an individual who holds an elected office; (3) the spouse of a candidate or individual who holds an elective office; or (4) a volunteer worker of a candidate or individual who holds an elected office; from entering onto homeowners association property for purposes of conducting political activity.

Construction Managers as Constructors (HEA 1196, P.L. 128-2014)

Author: Randy Truitt

Sponsor: Brandt Hershman

- Authorizes public agencies to employ construction managers as constructors for certain construction projects.
- Provides that state educational institutions may use the process for public works projects that begin after June 30, 2014. Provides that public agencies other than a state educational institution may use the process for public works projects that begin after June 30, 2017.
- Provides that the statute expires July 1, 2020.

Release of Feral Cats (HEA 1199, P.L. 182-2014)

Author: Don Lehe

Sponsor: Brandt Hershman

- Provides that the prohibition against permitting domestic animals to run at large in a mobile home community does not apply to feral cats that are caught and released as part of a spay and neuter program designed to reduce the number of feral cats in the area.

Zoning Commitments and Annexation (HEA 1216, P.L. 130-2014)

Author: Randy Truitt

Sponsor: Randall Head

- Allows a municipal legislative body that annexes real property subject to a zoning commitment to modify, terminate, or enforce the commitment after the annexation takes effect.
- Provides that the legislative body of a unit may modify or terminate a commitment if the commitment is part of a rezoning proposal being considered by the legislative body.
- Provides that a decision of the legislative body regarding modification or termination of a zoning commitment is a legislative act and is not subject to judicial review.

Employment Discrimination Against Veterans (HEA 1242, P.L. 136-2014)

Author: Martin Carbaugh

Sponsor: James Buck

- Provides that it is an unlawful employment practice (practice) for an employer to discriminate against a prospective employee on the basis of status as a veteran by: (1) refusing to employ an applicant for employment on the basis that the applicant is a veteran of the armed forces of the United States; or (2) refusing to employ an applicant for employment on the basis that the applicant is a member of the Indiana national guard or member of a reserve component.
- Requires the Indiana civil rights commission to enforce alleged violations of the practice.
- Requires the Indiana department of veterans' affairs to disseminate information necessary to inform veterans of the practice.

Fire and Building Safety Issues (HEA 1301, P.L. 218-2014)

Author: Heath VanNatter

Sponsor: Carlin Yoder

- Repeals the statute requiring the division of fire and building safety (division) to employ a state building law compliance officer. Creates the office of state building commissioner, who is appointed by the governor to serve: (1) at the pleasure of the governor; and (2) full time. Provides that the state building commissioner has the duties and responsibilities of the state building law compliance officer. Requires the state building commissioner to issue a written interpretation of a building law or fire safety law not later than 10 business days after the date of receiving a request.
- Provides that a design release may be issued without a plan review if: (1) the application for a design release is complete; and (2) the application for a design release is not selected for a plan review by the division. Establishes deadlines for the division to conduct plan reviews and provide notices. Provides that, with certain exceptions, if the division fails to provide notice or complete plan review within the time required by statute, a design release must be issued without further review.
- Provides that if a plan review reveals one or more state building or fire code violations determined by the division to pose a substantial threat to the public health, safety, or welfare: (1) the division is required to notify: (A) the preparer of the plans; (B) the licensing agency of the preparer for possible disciplinary sanctions; and (C) the project owner or general contractor; and (2) the time limitations for plan review do not apply. Requires the division to maintain a single electronic file regarding each project for which a design release application is filed.
- Requires the fire prevention and building safety to established objective criteria for certifying the competency of a city, town, or county (unit) to perform plan reviews.
- Provides that a townhouse is a Class 2 structure (instead of a Class 1 structure) for purposes of the state fire, building, and equipment laws.
- Provides that a plan review may be limited to the corrections required by the division. Allows for an administrative hearing to be conducted to determine if action is appropriate when the results of a plan review reveal that an engineer or architect knowingly or recklessly submitted plans or specifications that are determined to pose a wanton and willful disregard for the public health, safety, or welfare.
- Prohibits a political subdivision from adopting an ordinance or other requirement after February 28, 2013, that would require a builder or remodeler to be licensed, certified, permitted, registered, or listed by the political subdivision as a condition to the builder or remodeler constructing or remodeling a residential dwelling.
- Provides that a political subdivision is not prohibited from licensing, permitting, or registering specific trades or issuing permits and approvals that regulate the use, planning, and development of property. Establishes deadlines for local units to conduct local plan reviews and provide notices. Repeals a noncode provision that prohibits the regulation of builders and remodelers by political subdivisions.

Various Natural Resource Matters (HEA 1307, P.L. 219-2014)

Author: Sean Eberhart

Sponsor: Carlin Yoder

- Defines "geo-referenced". Allows a professional surveyor to use a geo-referenced aerial photograph in order to prepare a description of a parcel. Provides that any natural resources commission rules concerning other means to describe classified lands may not result in a real property description.
- Allows money in the counties with special boat patrol needs fund to be used to enforce laws pertaining to watercraft on boundary waters located in counties with special boat patrol needs. Creates the recreational trails maintenance fund.
- Urges the legislative council to require an appropriate study committee to study: (1) the development of a statewide policy for recreational trails and their maintenance; and (2) a method to distribute money deposited into the recreational trail maintenance fund.

Various Election Law Matters (HEA 1318, P.L. 76-2014)

Author: Kathy Richardson

Sponsor: Pete Miller

- Makes changes in election and related statutes concerning the following: (1) Modifications of voting systems. (2) Proof of voter identification. (3) Printing the name of deceased candidates on the ballot. (4) Use of voting systems by voters with disabilities. (5) Registration of military and overseas voters. (6) Receiving ballots from military and overseas voters. (7) Use of electronic mail for candidate filing confirmations. (8) Notice provisions on declarations of candidacy and other candidate documents. (9) School board candidates. (10) Candidate statements of economic interests. (11) Certificates of nomination. (12) Recount procedures. (13) Schedules for conducting special elections. (14) Electronic poll books. (15) Vote centers. (16) When candidates for county and township assessors must meet certification requirements to hold office.

County Government Issues (HEA 1346, P.L. 77-2014)

Author: Daniel Leonard

Sponsor: Phillip Boots

- Provides that in a county having a population of more than 300,000 but less than 400,000, a public question shall be held in the county at the 2014 general election on whether the executive and legislative structure of county government should be changed.
- Provides that if the public question is approved, the voters of the county shall not elect a board of county commissioners, but shall instead elect a single county executive to serve as the county executive and shall elect a county council that has the legislative and fiscal powers and duties of the county.
- Provides that in a county with a single county executive, the county council must consist of nine members elected from single-member districts (instead of four members elected from single-member districts and three members elected at large).

- Provides that if the office of single county executive becomes vacant, the county council shall appoint an individual to serve as interim single county executive until the office is filled.
- Provides that in a county that has abolished the board of county commissioners and has elected a single county executive, the county council may adopt an ordinance to change the county government structure back to a structure that includes: (1) the election of a board of county commissioners (instead of a single county executive); and (2) a county council in which four members are elected from single-member districts and three members are elected at large (instead of a county council in which all nine members are elected from single-member districts). Provides that if such an ordinance is adopted, a public question shall be held to determine whether the county government structure shall be changed back to a structure that includes the election of a board of county commissioners.
- Provides that in a county that has a single county executive, the drainage board consists of: (1) the single county executive; and (2) two or four persons (as determined by the single county executive) who are appointed by the single county executive.

Public Works Projects (HEA 1361, P.L. 143-2014)

Author: Alan Morrison

Sponsor: James Buck

- Amends the public works statute applicable to state universities so that contracts for small projects of a state university can be performed under a quotation procedure rather than a bid procedure.
- Increases dollar thresholds for state educational institution capital projects.
- Provides that the commission for higher education may authorize Ball State University to pay project costs for the construction and renovation of health and basic sciences facilities, including Cooper Science, and that these costs may be reimbursed by the state, if the project is recommended by the commission for higher education to the general assembly.
- Modifies the per campus limits on the amount of outstanding bonds that a state educational institution may issue for qualified energy savings contracts.
- Provides that a project that causes a state educational institution, other than Ivy Tech Community College, to have outstanding debt for projects of more than \$15 million must produce operating savings in the first ten years that are at least equal to the initial debt for the project. Removes the separate limit on the amount of outstanding bonds that Ivy Tech Community College may issue for qualified energy savings contracts. Specifies that refunding bonds supported by fee replacement appropriations must be approved by the budget agency and must result in a savings as set forth in a finding by the board of trustees of the state educational institution. Specifies that refunding bonds may not have a longer term than the outstanding bonds to be refunded.

Public Official Bonding (SEA 32, P.L. 50-2014)

Author: James Tomes

Sponsor: Wendy McNamara

- Urges the legislative council to assign to an appropriate study committee the topic of the bonding of elected public officials.

Interim Study Committee Structure (SEA 80, P.L. 53-2014)

Author: David Long

Sponsor: Brian Bosma

- Establishes 17 interim study committees with authority to study legislative topics. Permits the legislative council to establish additional interim study committees. Provides for the appointment of chairs, vice-chairs, legislative members, and lay members of interim study committees. Specifies uniform policies to govern interim study committees. Permits the chair of a standing interim study committee to establish subcommittees.
- Eliminates various study and advisory committees. Eliminates obsolete provisions governing legislative evaluation and oversight. Reduces the number of members of the advisory council to the office of the utility consumer counselor and the political subdivision risk management commission to reflect the reduction of the number of congressional districts in Indiana from 10 to nine.
- Repeals laws that: (1) establish committees eliminated by this act; and (2) require quadrennial fiscal analysis of statutes regarding redevelopment areas and property tax deductions for redevelopment of real property in economic revitalization areas.

Local Government Transparency (SEA 106, P.L. 84-2014)

Author: Ed Charbonneau

Sponsor: Sharon Negele

- Requires the state board of finance to post a narrative description of all approved transfers of money, and the reason for each transfer, on the Indiana transparency Internet web site.
- Requires the department of local government finance (DLGF) to develop indicators of fiscal health for school corporations and other political subdivisions. Requires the DLGF to present information for evaluating the fiscal health of political subdivisions on the Indiana transparency Internet web site through conveniently and easily accessed dashboards. Prohibits the department of local government finance and other state agencies from using the fiscal health indicators to assign a school corporation or political subdivision a summative grade.
- Allows political subdivisions to request technical assistance from the distressed unit appeals board (DUAB) beginning in 2015.
- Requires the office of management and budget (OMB) to evaluate whether the DUAB requires additional powers and resources to provide technical assistance. Requires the OMB to also evaluate the organizational structure, board composition, and number of board members of the DUAB. Allows the OMB to recommend any legislation necessary

to provide those additional powers and resources to the DUAB.

State Policy on Agriculture and Farmers' Rights (SEA 186, P.L. 25-2014)

Author: Carlin Yoder

Sponsor: Don Lehe

- Declares the state policy on agriculture and farmers' rights.

Firearm Matters (SEA 229, P.L. 157-2014)

Author: James Tomes

Sponsor: Sean Eberhart

- Allows a firearm that may be destroyed to be sold to a salvage company and destroyed by dismantling the firearm for parts, scrap metal, or recycling, or for resale as parts for other firearms.
- Provides that a unit may conduct a firearms buyback program with private funds or grants.
- Establishes a procedure to permit certain individuals whose firearms have been retained by a law enforcement agency to have the firearms sold at auction and the proceeds, less the costs of sale, returned to the individual.
- Removes a provision from the law making possession of a firearm on property that is being used by a school for a school function a felony. Provides, for purposes of the law concerning possession of firearms on school property, that the law does not apply to certain students who are members of a shooting sports team or certain individuals who may legally possess a firearm and possess a firearm that is locked in the trunk of the person's motor vehicle, kept in the glove compartment of the person's locked motor vehicle, or stored out of plain sight in the person's locked motor vehicle.
- Specifies that the law concerning firearms in locked vehicles does not prohibit an employer from prohibiting an employee from possessing a firearm or ammunition at the employer's residence.
- Provides that the chapter concerning possession of firearms on school property and school buses does not apply to a person who may possess the firearm and possesses the firearm in a motor vehicle.
- Makes it a Class A misdemeanor if certain persons leave a firearm in plain view in a motor vehicle parked in a school parking lot.
- Removes a provision from the law concerning firearms in locked vehicles that allows a person to adopt or enforce an ordinance, a resolution, a policy or rule that prohibits an employee of the person from possessing a firearm or ammunition in or on school property, in or on property that is being used by a school for a school function, or on a school bus in violation of: (1) student discipline laws concerning possession of firearms; or (2) the law concerning possession of firearms on school property and school buses.
- Provides that a person may adopt or enforce an ordinance, a resolution, a policy, or a rule that prohibits an employee from possessing a firearm or ammunition in a motor vehicle that is owned, leased, or controlled by a school or school district.

Transfers of Real Property (SEA 249, P.L. 94-2014)

Author: James Buck

Sponsor: Heath VanNatter

- Specifies that a property tax penalty for property sold by a county executive through a certificate of sale procedure is to be removed from the tax duplicate if the penalty is associated with a delinquency that was not due until after the date of the original tax sale but is due before the issuance of the certificate of sale by the county executive.
- Specifies procedures for collecting unpaid taxes after the county auditor determines that a property is no longer eligible for a standard deduction. Provides that no lien attaches for any additional taxes and civil penalties resulting from the removal of the deduction with respect to a bona fide purchaser of the property who is without knowledge of the county auditor's determination.
- Indicates that certain defects in a lease recorded with the county recorder do not invalidate the effect of recording the lease.
- Provides that a person acquiring a condominium unit is not liable for unpaid assessments if the condominium association, manager, or board of directors fails to provide a statement of unpaid assessments within 10 days of the person's written request.
- Specifies the appraisal procedure to be used when selling property at auction in a partition action, and provides that the parties may waive appraisal and valuation. Permits any person with an interest in property being sold at a sheriff's sale in a partition action to request that the court order the sale be conducted by an auctioneer.
- Provides that a governmental entity may claim title by adverse possession without having paid property taxes and special assessments due on the property if the governmental entity is exempt from the payment of property taxes and special assessments.

Water Related Study Committee Responsibilities (SEA 271, P.L. 197-2014)

Author: Ed Charbonneau

Sponsor: Eric Koch

- Urges the legislative council to assign to the appropriate committee for the 2014 legislative interim the responsibility: (1) to receive testimony about a number of subjects related to water resources, including certain recommendations of the utility regulatory commission, the effect of water resource availability on state and regional economic development decisions, coordination of state government activities relating to water resources, and key elements that a state water plan should contain; and (2) to study the potential creation of a water institute and a water management authority.

Worker's Compensation (SEA 294, P.L. 99-2014)

Author: Phillip Boots

Sponsor: David Ober

- Changes the worker's compensation and occupational diseases compensation law by providing that: (1) a medical service provider may not be reimbursed for more than one office visit for each repackaged legend drug prescribed; (2) the maximum period during which a medical service provider that is not a retail or mail order pharmacy may receive

reimbursement for a repackaged legend drug begins on the date of the injury or disablement and ends at the beginning of the eighth day after the date of the injury or disablement; (3) for purposes of determining pecuniary liability, a medical service provider is distinguished from a medical service facility on the basis of the provider's billing form for Medicare reimbursement; and (4) an officer of a corporation who is an employee of the corporation may elect not to be an employee of the corporation for purposes of worker's compensation and occupational diseases law.

- Removes language that provides that the reimbursement for an implant may not exceed the invoice amount plus 25%.

Professional Licensing Matters (SEA 421, P.L. 112-2014)

Author: Randall Head

Sponsor: Jud McMillin

- Allows a county fiscal body to waive certification requirements for certain members of the property tax assessment board of appeals appointed by the fiscal body.
- Establishes assessor, appraiser, and tax representative standards of conduct.
- Removes a provision specifying that a crematory authority may deliver cremated remains to a funeral director in person or by registered mail.
- Replaces the regulated occupations evaluation committee with the jobs creation committee.
- Provides that the funds from certain professions may be used by that profession's board to pay for the administrative expenses of the profession.
- Makes a change to the definition of "attest" to concur with the Uniform Accountancy Act.
- Allows a member of the Indiana board of accountancy (board) to serve three terms. Creates a status of "retired" for certified public accountants. Increases the cap on the accountant investigative fund (fund) to \$1,000,000 and directs fines that can currently be imposed by the board to the fund.
- Removes the requirements that a home inspector's, massage therapist's, private investigator firm's, or security guard agency's insurance list the state as an additional insured.
- Delays the expiration of certain provisions concerning a certified direct entry midwife and penalties concerning the practice of midwifery.
- Requires a nonresident pharmacy to submit an inspection report from the applicant's home state.
- Allows a graduate from a foreign college of veterinary medicine who has a Program for the Assessment of Veterinary Medical Education Equivalence certificate to meet the qualification of graduating from an accredited college of veterinary medicine for purposes of certain licensure exemptions and for applying for a veterinary license.
- Provides that the state board of funeral and cemetery service (board) has 180 days to investigate a verified complaint. Gives the board discretion to order restitution from the preneed consumer protection fund.
- Provides money in the controlled substances data fund to be used for the administration of the INSPECT program.
- Requires the Indiana professional licensing agency (agency) to report to the legislative council not later than October 1, 2014, concerning establishing a process for individuals

in certain occupations to certify the individual's qualifications to be included on a list maintained by the agency.

Abandoned Housing (SEA 422, P.L. 66-2014)

Author: James Merritt

Sponsor: Edward Clere

- Requires the attorney general to establish and maintain a tax sale blight registry of all persons ineligible to participate in the tax sale.
- Provides that properties certified as vacant or abandoned may be sold outright at the tax sale.
- Reduces the interest rate for payments in excess of a minimum bid from 10% to 5%. Lowers the interest rate for refunds on certain tax sales from 6% to 5%. Provides that the notice to a record owner of property must occur six months, instead of nine months, after the date of the tax sale.
- Requires the executive of a county, city, or town to obtain a judgment that a parcel of real property is vacant or abandoned before a certification can be made to the county auditor for tax sales purposes.
- Reduces the period from six to three months when a tax sale purchaser may petition the court for a judgment directing the county auditor to issue a tax deed if the real property is not redeemed from the sale.
- Specifies that a property tax penalty for property sold by a county executive through a certificate of sale procedure is to be removed from the tax duplicate if the penalty is associated with a delinquency that was not due until after the date of the original tax sale but is due before the issuance of the certificate of sale by the county executive. Requires, for tax deeds executed for real property sold at a tax sale, that the county auditor submit the tax deed directly to the county recorder for recording and charge the tax sale purchaser the appropriate recording fee.
- Permits the county auditor to be the only signer of a sales disclosure form.
- Adds the term "blighted" in determining whether a building is an unsafe building.
- Requires a business entity that seeks to register to bid at a tax sale to provide a certificate from the secretary of state to the county treasurer. Prohibits foreign business associations that have not registered with the secretary of state from participating in the tax sale.
- Requires persons who purchase a property or certificate at a tax sale to reimburse the county for the costs of a title search.
- Permits a county to establish a paddle fee for persons who attend the tax sale.
- Requires the sheriff to notify the owner of a foreclosed property being sold at auction if the sale is canceled.

Right to Hunt, Fish, and Harvest Wildlife (SEJR 9, P.L. 224-2014)

Author: Brent Steele

Sponsor: Mark Messmer

This Joint Resolution must pass the next General Assembly and be approved by a statewide vote in the following general election before it is amended to the Indiana Constitution.

- Provides that the right to hunt, fish, and harvest wildlife is a valued part of Indiana's heritage and shall be forever preserved for the public good.
- Provides that the people have a right, which includes the right to use traditional methods, to hunt, fish, and harvest wildlife, subject only to the laws prescribed by the general assembly and rules prescribed by virtue of the authority of the general assembly to: (1) promote wildlife conservation and management; and (2) preserve the future of hunting and fishing.
- Provides that hunting and fishing are the preferred means of managing and controlling wildlife.
- Provides that this constitutional amendment does not limit the application of any laws relating to trespass or property rights.
- This proposed amendment has not been agreed to by the previous general assembly.

Courts

Judicial Officers (SEA 3, P.L. 147-2014)

Author: Brent Steele

Sponsor: Gregory Steuerwald

- Makes battery: (1) a Level 6 felony instead of a Class B misdemeanor if the offense is committed against certain judicial officers while the judicial officers are engaged in the judicial officers' official duties; and (2) a Level 5 felony instead of a Class B misdemeanor if the offense results in bodily injury to certain judicial officers while the judicial officers are engaged in the judicial officers' official duties or the person who committed the offense placed certain infected bodily fluids or wastes on certain judicial officers.
- Provides that certain judicial officers: (1) may possess and use a firearm in the same locations that a law enforcement officer who is authorized to carry a firearm may possess a firearm while the law enforcement officer is engaged in the execution of the law enforcement officer's official duties; and (2) may not be prohibited from possessing a firearm on land or in buildings and other structures owned or leased by the state or any agency of state government or a political subdivision.
- Specifies that a judicial officer who possesses and uses a firearm has the same civil and criminal immunities and defenses that a law enforcement officer has when the law enforcement officer: (1) possesses and uses a firearm; and (2) is engaged in the execution of the law enforcement officer's official duties.

Access to Juvenile Court Records (SEA 19, P.L. 1-2014)

Author: Brent Steele

Sponsor: Gregory Steuerwald

- Provides that the law making all records of a juvenile court confidential does not apply to records involving proceedings that pertain to: (1) paternity issues; (2) custody issues; (3) parenting time issues; or (4) child support issues; concerning a child born to parents who are not married to each other.

- Provides that the law that specifies which persons may have access to juvenile court records without a court order does not apply to records involving proceedings that pertain to: (1) paternity issues; (2) custody issues; (3) parenting time issues; or (4) child support issues; concerning a child born to parents who are not married to each other.

Representation of Judges in Mandate of Funds Litigation (SEA 60, P.L. 19-2014)

Author: Phillip Boots

Sponsor: Gregory Steuerwald

- Urges the legislative council to assign the topic of the representation of judges and payment of attorneys' fees in judicial mandate actions to an interim study committee.

Courts and Court Officers (SEA 160, P.L. 23-2014)

Author: Luke Kenley

Sponsor: Timothy Brown

- Provides that: (1) a new court with one or more new judges may not be established; and (2) one or more new judges may not be added to an existing court; unless the establishment of the new court and the addition of the new judges to an existing court are authorized by state law.

Criminal Code

Criminal Code Corrections (HEA 1006, P.L. 168-2014)

Author: Gregory Steuerwald

Sponsor: Brent Steele

- Changes the nomenclature for felonies from "Class" to "Level" for statutes not amended by HEA 1006-2013.
- Removes criminal gang activity, criminal gang intimidation, and certain drug offenses from the list of crimes over which a juvenile court does not have jurisdiction.
- Authorizes pretrial diversion for persons charged with a Level 5 or Level 6 felony.
- Prohibits a credit restricted felon from obtaining sentence modification.
- Provides that, not later than 365 days after: (1) a convicted person begins serving the person's sentence; and (2) the court obtains a report from the department of correction concerning the convicted person's conduct while imprisoned; the court may reduce or suspend the person's sentence and impose any sentence the court was authorized to impose at the time of sentencing. Specifies that, if more than 365 days have elapsed since the convicted person began serving the sentence, the court may reduce or suspend the sentence and impose any sentence the court was authorized to impose at the time of sentencing. Limits the filing of subsequent petitions to modify a sentence, and removes the requirement that the court hold a hearing.
- Requires a court to explain its reasons for imposing a sentence unless the court imposes an advisory sentence.
- Increases the number of crimes that are nonsuspendible.

- Makes changes to the penalties for the crimes of dealing in cocaine or a narcotic drug and dealing in methamphetamine.
- Allows a court to suspend any part of a sentence for a Level 2 felony or a Level 3 felony concerning a controlled substance.
- Enhances the penalties for certain controlled substance offenses if a person commits an offense: (1) within 500 feet of school property or a public park when a child is likely to be present; or (2) in the physical presence of a child less than 18 years of age, knowing that the child was present and might be able to see or hear the offense.
- Requires a court to sentence a person found to be a habitual offender to an additional fixed term of imprisonment that is between: (1) six years and 20 years, for a person convicted of murder or a Level 1 through Level 4 felony; and (2) two years and six years, for a person convicted of a Level 5 or Level 6 felony.
- Increases the advisory sentence: (1) from six years to nine years for a Level 3 felony; (2) from four years to six years for a Level 4 felony; and (3) from two years to three years for a Level 5 felony.
- Amends credit time provisions by creating a new Class A that provides that a person: (1) who is not a credit restricted felon; and (2) who is imprisoned for a Level 6 felony or a misdemeanor or imprisoned awaiting trial or sentencing for a Level 6 felony or misdemeanor; earns one day of credit time for every day the person is imprisoned or confined awaiting sentencing. Provides that the: (1) Class I through Class IV credit class system applies to a person who commits an offense before July 1, 2014; and (2) Class A through Class D credit class system effective July 1, 2014, applies to a person who commits an offense after June 30, 2014.
- Provides that educational credit time is deducted from the release date that would otherwise apply to the person.
- Provides that before March 1, 2015, the department of correction (department) shall estimate the amount of any operational cost savings that will be realized in the state fiscal year ending June 30, 2015, from a reduction in the number of individuals who are in the custody of the department of correction that is attributable to the sentencing changes made under the bill. Specifies that if the department estimates that such operational cost savings will be realized, the department may, after review by the budget committee and approval by the budget agency, do the following: (1) Make additional grants to counties for community corrections programs from funds appropriated to the department for the department's operating expenses. (2) Transfer funds (from funds appropriated to the department for the department's operating expenses) to the judicial conference of Indiana to be used by the judicial conference of Indiana to provide additional financial aid for the support of court probation services. Provides that the maximum aggregate amount of these additional grants and transfers may not exceed the lesser of the amount of operational cost savings or \$11,000,000.
- Reduces the sentence for: (1) arson with intent to defraud; (2) an offense against intellectual property; and (3) auto theft; from a Level 5 felony to a Level 6 felony.
- Reduces the maximum penalties for: (1) Level 1 felonies from 50 to 40 years; and (2) for Level 3 felonies from 20 to 16 years.
- Provides that a person less than 18 years of age who possesses an indecent image of another person less than 18 years of age commits a Class A misdemeanor if: (1) the persons are in a dating relationship; (2) the age difference between the persons is not

more than four years; and (3) the person acquiesced in the taking or transmission of the indecent image. Specifies that a person who is eligible to be prosecuted for possession of an indecent image as a misdemeanor may not be prosecuted for possession of child pornography or child exploitation.

- Makes it child seduction, a Level 6 felony, for a law enforcement officer who is at least five years older than a child who is: (1) at least 16 years of age; and (2) less than 18 years of age; to fondle or touch the child with the intent to arouse or satisfy the sexual desires of either the child or the law enforcement officer, if the law enforcement officer's contact with the child occurred in the course of the officer's official duties, and increases the penalty to a Level 5 felony if the law enforcement officer engages in sexual intercourse or other sexual conduct with the child.
- Increases the minimum enhancement amount for certain controlled substances from three grams to five grams.
- Requires the Indiana criminal justice institute to monitor and evaluate criminal justice reform.
- Provides that a person may only be convicted of possession with intent to deliver if there is evidence in addition to the amount of the drug possessed that the person intended to manufacture or deliver the drug.
- Creates a lower offense category for persons who sell less than one gram of a controlled substance.
- Provides that: (1) after June 30, 2014, and before July 1, 2015, a person convicted of a Level 6 felony may not be committed to the department of correction if the person's earliest possible release date is less than 91 days from the date of sentencing, unless the commitment is due to the person violating a condition of probation, parole, or community corrections and the violation is not technical; and (2) after June 30, 2015, a person convicted of a Level 6 felony may not be committed to the department of correction if the person's earliest possible release date is less than 366 days from the date of sentencing, unless the commitment is due to the person violating a condition of probation, parole, or community corrections by committing a new criminal offense.
- Specifies that: (1) after June 30, 2014, a sheriff is entitled to a per diem and medical expense reimbursement for the cost of incarcerating a person convicted of a Level 6 felony whose earliest possible release date is less than 91 days; (2) after June 30, 2015, a sheriff is entitled to a per diem and medical expense reimbursement for the cost of incarcerating a person convicted of a Level 6 felony whose earliest possible release date is less than 366 days; and (3) the reimbursement shall be reviewed by the budget committee and is subject to the approval of the budget agency.
- Provides that a person on home detention as a condition of probation is entitled to earn credit time.

Publication of List of Criminal Offenses (HEA 1008, P.L. 169-2014)

Author: Gregory Steuerwald

Sponsor: Michael Young

- Repeals the article listing criminal law statutes for titles outside IC 35, and reorganizes the criminal law statutes into individual sections under a new article.
- Does not make any substantive change in the law.

Criminal Matters (HEA 1269, P.L. 185-2014)

Author: Gregory Steuerwald

Sponsor: Michael Young

- Specifies that a person who commits a crime before the effective date of HEA 1006-2013 or HEA 1006-2014 is to be sentenced in accordance with the law in effect at the time the crime was committed.
- Conforms provisions dealing with nonsuspendibility and community corrections to the nonsuspendibility provisions of HEA 1006-2013 and HEA 1006-2014.
- Defines "service provider" and "lawful supervision", and makes it sexual misconduct, a Level 5 felony, for a service provider to knowingly or intentionally engage in sexual intercourse or other sexual conduct with a person who is subject to lawful supervision.
- Makes it sexual misconduct, a Level 4 felony, for a service provider who is at least 18 years of age to knowingly or intentionally engage in sexual intercourse or other sexual conduct with a person who is: (1) less than 18 years of age; and (2) subject to lawful supervision.

Judicial Officers (SEA 3, P.L. 147-2014)

Author: Brent Steele

Sponsor: Gregory Steuerwald

- Makes battery: (1) a Level 6 felony instead of a Class B misdemeanor if the offense is committed against certain judicial officers while the judicial officers are engaged in the judicial officers' official duties; and (2) a Level 5 felony instead of a Class B misdemeanor if the offense results in bodily injury to certain judicial officers while the judicial officers are engaged in the judicial officers' official duties or the person who committed the offense placed certain infected bodily fluids or wastes on certain judicial officers.
- Provides that certain judicial officers: (1) may possess and use a firearm in the same locations that a law enforcement officer who is authorized to carry a firearm may possess a firearm while the law enforcement officer is engaged in the execution of the law enforcement officer's official duties; and (2) may not be prohibited from possessing a firearm on land or in buildings and other structures owned or leased by the state or any agency of state government or a political subdivision.
- Specifies that a judicial officer who possesses and uses a firearm has the same civil and criminal immunities and defenses that a law enforcement officer has when the law enforcement officer: (1) possesses and uses a firearm; and (2) is engaged in the execution of the law enforcement officer's official duties.

Nonsupport of a Child (SEA 63, P.L. 148-2014)

Author: Michael Young

Sponsor: Jud McMillin

- Changes the penalty enhancement for nonsupport of a child from a Level 6 felony to a Level 5 felony if the person has a previous conviction for the offense.

- Changes the procedure for a court to lower the penalty for a person convicted of nonsupport of a child.

Agricultural Operations and Trespass (SEA 101, P.L. 21-2014)

Author: Travis Holdman

Sponsor: Jud McMillin

- Adds causing property damage to an agricultural operation to the existing crime of institutional criminal mischief.
- Increases the sentence enhancement monetary thresholds for criminal mischief and institutional criminal mischief.
- Provides that a person commits criminal trespass if, without the owner's permission, the person enters: (1) that portion of an agricultural operation that is used for production; or (2) any part of the real property of an agricultural operation and causes property damage.

Economic Development

Economic Development (HEA 1003, P.L. 167-2014)

Author: Steven Braun

Sponsor: James Smith

- Provides for grants to eligible school corporations and charter schools to support cooperative arrangements with businesses for training students.
- Provides that, for taxable years beginning after December 31, 2014, and before January 1, 2019, an economic development for a growing economy (EDGE) tax credit may be awarded to a business that employs students who have participated in a course of study that includes a cooperative arrangement between the business and an educational institution for the training of students in high wage, high demand jobs that require industry certifications.
- Caps the aggregate amount of EDGE tax credits awarded for this purpose in a state fiscal year at \$2.5 million.
- Renames the Indiana workforce intelligence system the Indiana network of knowledge (INK).
- Repeals provisions that assign to the Indiana career council responsibility for the INK, and transfers administration and oversight of the INK to the INK governance committee and the INK executive director appointed by the governor.
- Establishes an INK governance committee consisting of: (1) the commissioner of the department of workforce development; (2) the commissioner of the commission for higher education; (3) the superintendent of public instruction; (4) a member representing private colleges and universities appointed by the governor; (5) a member representing the business community appointed by the governor; and (6) the INK executive director, who serves in an advisory capacity. Authorizes the governor to appoint additional members of the INK governance committee as necessary. Requires the governor to appoint the INK executive director from a list of three candidates submitted by the INK governance committee.

- Requires agencies of the state to submit data to the INK as requested by the executive director. Allows private sector business or commercial employers, groups, associations, agencies and other entities, and private institutions of higher education to submit data to the INK by working with the executive director. Provides that the data submitted to Indiana network of knowledge (INK): (1) remains under the ownership and control of the agency submitting the data; and (2) may be used only for the purposes described in the INK statute (IC 22-4.5-10), unless the agency that submitted data consents to the additional use.
- Provides that, to the extent permitted by applicable federal law, regulation, or executive order, the policies established by the INK governance committee must provide for access to INK data requested by the legislative department of state government.
- Provides that the INK may not obtain or store student disciplinary, juvenile delinquency, criminal, or medical and health records.

Study of Economic Development Incentives (HEA 1020, P.L. 114-2014)

Author: Eric Koch

Sponsor: Brandt Hershman

- Requires the commission on state tax and financing policy to review, analyze, and evaluate state and local tax incentives that are provided to encourage economic development or to alter, reward, or subsidize a particular action or behavior by a tax incentive recipient.

Regional Economic Development (HEA 1035, P.L. 116-2014)

Author: Steven Braun

Sponsor: Ed Charbonneau

- Requires the Indiana economic development corporation to conduct an assessment of Indiana's regional metropolitan areas.
- Provides that the assessment must analyze the economic potential of each of Indiana's regional cities and provide a report on the needs of each regional city along with recommendations on initiatives and improvements in each regional city that will lead to regional economic growth.

Development Around Military Base (HEA 1052, P.L. 175-2014)

Author: Mark Messmer

Sponsor: John Waterman

- Expands, for purposes of the limitations on planning and zoning that affect the Crane military base, the definition of "military base" to include the Glendora Lake Test Facility in Sullivan County at which the Crane military base conducts affiliated operations.

Zoning Commitments and Annexation (HEA 1216, P.L. 130-2014)

Author: Randy Truitt

Sponsor: Randall Head

- Allows a municipal legislative body that annexes real property subject to a zoning commitment to modify, terminate, or enforce the commitment after the annexation takes effect.
- Provides that the legislative body of a unit may modify or terminate a commitment if the commitment is part of a rezoning proposal being considered by the legislative body.
- Provides that a decision of the legislative body regarding modification or termination of a zoning commitment is a legislative act and is not subject to judicial review.

Redevelopment Commissions and Authorities (SEA 118, P.L. 149-2014)

Author: Pete Miller

Sponsor: Timothy Brown

- Provides that a redevelopment commission may not enter into any obligation payable from public funds without first obtaining the approval of the legislative or fiscal body of the unit that established the commission. Provides an exception if the obligation is for the acquisition of real property and the payments are for three years or less or the purchase price is less than \$5,000,000. Specifies that the approving ordinance or resolution must include certain items.
- Provides that a redevelopment commission and a department of redevelopment are subject to oversight by the legislative body of the unit, including review by the legislative body of annual budgets. Specifies that a redevelopment commission and a department of redevelopment are subject to the same laws, rules, and ordinances of a general nature that apply to all other commissions or departments of the unit. Specifies that a redevelopment commission, a department of redevelopment, and a redevelopment authority are subject to audit by the state board of accounts and covered by the public meetings and public records laws.
- Requires a redevelopment commission to provide to the legislative body of the unit at a public meeting all the information supporting the action the redevelopment commission proposes to take regarding the sale, transfer, or other disposition of property.
- Provides that if the amount of excess assessed value determined by the commission is expected to generate more than 200% of the amount of allocated tax proceeds necessary to carry out the commission's plan, a determination of the amount of the excess available to other taxing units by the commission must be approved by the legislative body of the unit.
- Permits the legislative body of the unit to modify the commission's determination with respect to the amount of excess assessed value.
- Requires the treasurer of a redevelopment commission outside Indianapolis and the secretary-treasurer of a redevelopment authority outside Indianapolis to report annually to the fiscal body of the unit that established the commission or authority.
- Provides that the Indianapolis controller is the fiscal officer of the redevelopment commission and redevelopment authority in Indianapolis. Authorizes the Indianapolis controller to obtain financial services on a contractual basis.

- Prohibits redevelopment commissions and certain other redevelopment entities from owning, leasing, or holding a single family dwelling or condominium unit that is leased for purposes of leasing for the use by individuals as a dwelling.
- Requires the department of local government finance, with the assistance of the state board of accounts, to prepare a report on redevelopment by redevelopment commissions, authorities, and departments and to submit and present the report to the commission on state tax and financing policy during the 2014 legislative interim.
- Provides that the power of eminent domain for redevelopment purposes belongs to the legislative body in counties other than Marion County.
- Requires legislative body approval of any amendment of a plan or of a resolution establishing an allocation area. Requires a declaratory resolution or amendment that establishes an allocation provision to include a specific finding of fact that the adoption of the allocation provision will result in new property taxes in the area that would not have been generated but for the adoption of the allocation provision.
- Provides, in the case of an allocation area that was initially established before July 1, 1995, that the expiration date of any allocation provisions for the allocation area is June 30, 2025, or the last date of any obligations outstanding on July 1, 2015, whichever is later. Provides that the consolidated allocation area in downtown Indianapolis is exempt from the expiration date.

Assistance for Military Facilities (SEA 260, P.L. 95-2014)

Author: James Buck

Sponsor: Mark Messmer

- Authorizes units of local government to expend money: (1) in direct support of an active military base located within the unit or an entity located in the territory or facilities of a military base or former military base (or territory or facilities of the United States Department of Defense) that are scheduled for closing or are completely or partially inactive or closed; and (2) in support of any other entity that provides services or direct support to such an active military base or such an entity.
- Provides that redevelopment commissions, military base reuse authorities, and military base development authorities may, subject to prior approval by the unit's fiscal body, expend money and provide financial assistance (including grants and loans) to such active military bases and to such entities. Provides that the fiscal body of the unit that established such a commission or authority must separately approve each grant, loan, or other expenditure for financial assistance provided by the commission or authority under these provisions. Provides that the terms of any loan made under these provisions by a commission or authority may be changed only if the change is approved by the fiscal body of the unit that established the commission or authority.
- Excludes certain counties.

Sports and Convention Development Areas (SEA 308, P.L. 100-2014)

Author: Thomas Wyss

Sponsor: David Ober

- Allows a professional sports development area (PSDA) in Allen County to be amended after April 30, 2014, and before January 1, 2015. Provides that a PSDA in Allen County must terminate before the later of January 1, 2028, or (if the designating body takes final action on the financing before January 1, 2015) a date agreed to jointly by the budget agency and the designating body that established the tax area. Specifies that the expiration date may not be later than 25 years after the debt to finance the facility or proposed facility is issued, and that the budget agency must approve the final financing for the facility or proposed facility.

Environmental

Recycling Reporting, State Goal, and Study (HEA 1183, P.L. 126-2014)

Author: David Wolkins

Sponsor: Ed Charbonneau

- Requires every recycler that recycles materials generated by two or more persons to report to the commissioner of the department of environmental management (commissioner) on the recycling activities conducted by the recycler. Allows a recycler the option of reporting annually or quarterly. Allows certain persons who are not subject to the reporting requirement, including those who recycle materials other than municipal waste, to report voluntarily.
- Requires the commissioner to post on the department's Internet web site a uniform recycling activity report form to be used in making the recycling activity reports.
- Requires the commissioner to submit an annual written report summarizing the information obtained through the recycling activity reports submitted to the commissioner.
- Establishes a state goal of recycling at least 50% of all municipal waste. Urges the legislative council to assign to the appropriate study committee, for the 2014 interim period, the task of producing a written report setting forth the committee's analysis of a number of recycling-related subjects.

Efficiency and Transparency for DNR and IDEM Permits (HEA 1217, P.L. 214-2014)

Author: Steven Davisson

Sponsor: Carlin Yoder

- Requires the department of natural resources (DNR) and the department of environmental management (IDEM) to develop and implement a process to improve efficiency and transparency in programs for: (1) water quality certifications from IDEM under Section 401 of the federal Clean Water Act; (2) permits from IDEM for wetland activity in a state regulated wetland; and (3) permits from the director of the DNR for a structure, obstruction, deposit, or excavation in a floodway.
- Requires DNR and IDEM to determine how to ensure that a person proposing to perform wetland work is informed of every state permit the person needs, to change application forms and processes to ensure that a person is not required to provide the same information separately to DNR and IDEM, to determine how either DNR or IDEM may serve as the single point of contact for applicants, to create an internal process to ensure

that the appropriate office within DNR or IDEM receives and timely reviews each permit application, and to ensure that the processing of each permit application is monitored.

Environmental Fees and Expenses (HEA 1342, P.L. 220-2014)

Author: David Wolkins

Sponsor: Ed Charbonneau

- Provides that the hazardous waste disposal fee (which replaces the hazardous waste disposal tax), the fee on the disposal or incineration of solid waste, and the annual registration fee paid by owners of underground storage tanks shall be collected by the department of environmental management instead of the department of state revenue.
- Provides that 75% of the revenue from the hazardous waste disposal fee shall be deposited in the hazardous substance response fund and 25% shall be paid over to the county in which the hazardous waste is disposed of.
- Provides that: (1) 50% of the registration fees paid in connection with underground petroleum storage tanks and deposited in the petroleum trust fund shall be used to pay for corrective actions that involve releases of regulated substances from underground storage tanks that are not eligible to receive funds from the underground petroleum storage tank excess liability trust; and (2) not more than 11% of the funds expended for the corrective actions may be used to pay for administrative and personnel expenses incurred in carrying out the corrective actions.
- Allows the commissioner of the department of environmental management, under certain circumstances, to authorize the modification of a restrictive covenant that the owner of a property contaminated with a hazardous substance has been required to execute and record. Provides for the administrative and personnel expenses incurred by the state in evaluating a proposed modification of a restrictive covenant to be paid from the hazardous substances response trust fund, and requires the environmental rules board to adopt rules providing for the recovery of those expenses by the state.
- Removes references to the solid waste management board, which was abolished on January 1, 2013.

Underground Tank Fee and Drainage Onsite Reviews (SEA 217, P.L. 6-2014)

Author: Ed Charbonneau

Sponsor: David Wolkins

- Provides that if an underground storage tank consists of a single tank in which there are separate compartments, a separate annual registration fee shall be paid for each compartment within the single tank.
- Requires the owner of an underground storage tank to pay an annual registration fee for a calendar year if the underground storage tank is not closed before January 1 of that year. Requires the department of environmental management (instead of the department of state revenue) to collect the annual registration fee.
- Provides that: (1) for purposes of determining eligibility for payment of a tank owner's liability from the underground petroleum storage tank excess liability trust fund, only registration fees paid in 1991 or later shall be considered; (2) for the period preceding July 1, 2014, the payment of a single annual fee of \$90 for a tank containing separate

compartments shall be deemed to satisfy the annual fee requirements; and (3) IDEM is not required to pay any refunds to a tank owner that, before July 1, 2014, paid a separate registration fee for each compartment within a tank.

- Provides that a county surveyor planning to perform a regulated drain reconstruction or maintenance project shall request a review of the project but is not required to request an onsite field review.

Water Related Study Committee Responsibilities (SEA 271, P.L. 197-2014)

Author: Ed Charbonneau

Sponsor: Eric Koch

- Urges the legislative council to assign to the appropriate committee for the 2014 legislative interim the responsibility: (1) to receive testimony about a number of subjects related to water resources, including certain recommendations of the utility regulatory commission, the effect of water resource availability on state and regional economic development decisions, coordination of state government activities relating to water resources, and key elements that a state water plan should contain; and (2) to study the potential creation of a water institute and a water management authority.

Confined Feeding, Composting, and Manure Storage (SEA 359, P.L. 199-2014)

Author: Ed Charbonneau

Sponsor: Don Lehe

- Provides that a person may not operate a confined feeding operation without obtaining the prior approval of the department of environmental management. Provides for renewal of an approval for the construction, expansion, or operation of a confined feeding operation.
- Provides that the law concerning the registration of composting facilities applies to facilities for the composting of vegetative matter and other organic material. Specifies the conditions under which an application for registration of a composting facility may be denied or a registration may be revoked.
- Requires a person who applies for approval to construct or expand a satellite manure storage structure to provide notice concerning the approval to: (1) the county executive of the county in which the satellite manure storage structure is to be constructed or expanded; and (2) each owner and each occupant of land of which any part of the boundary is one-half mile or less from any part of the proposed footprint of the satellite manure storage structure.

Finance

Heritage Barns (HEA 1046, P.L. 117-2014)

Author: Robert Cherry

Sponsor: John Waterman

- Permits a person to receive a 100% property tax deduction against the assessed value of a barn that qualifies as a heritage barn. Requires the office of tourism development to promote heritage barns.
- Permits a county to impose a public safety fee up to \$50 for each heritage barn receiving a deduction.

Local Government Finance (HEA 1062, P.L. 120-2014)

Author: Todd Huston

Sponsor: Pete Miller

- Provides that for all political subdivisions, the maximum amount allowed for an operating balance for a debt service fund is 50% of the budget estimate for annual debt service payments from the fund for debt originally incurred before July 1, 2014, including refinanced debt, and 15% on debt originally incurred after June 30, 2014.
- Permits a school corporation that experiences at least a 10% loss to the school corporation's transportation fund due to circuit breaker credits in 2014, 2015, or 2016 to use a proportional circuit breaker credit allocation for that year.
- Permits a school corporation that experiences at least a 20% loss to the school corporation's levies due to circuit breaker credits to use debt restructuring by adopting a resolution before January 1, 2019.
- Specifies that if a taxpayer appearing at the public hearing files a written objection to the proposed restructuring and a sufficient number of people request a petition and remonstrance process, the bonds may not be issued unless more petitioners than remonstrators sign the petition.

Alternative Transportation Funding Mechanisms (HEA 1104, P.L. 208-2014)

Author: Ed Soliday

Sponsor: Thomas Wyss

- Requires the Indiana department of transportation to contract with a third party for a study of alternative funding mechanisms for the maintenance of Indiana's transportation infrastructure.

Property Tax Matters (HEA 1234, P.L. 134-2014)

Author: Jeffrey Thompson

Sponsor: Pete Miller

- Requires county treasurers to mail property tax statements at least 15 business days, instead of 15 calendar days, before the first payment is due.
- Provides that an employee of an assessor's office or an appraiser may not serve as a voting member of the property tax assessment board of appeals (PTABOA) in the county where the individual is employed.
- Allows a county fiscal body to waive certification requirements for certain members of the PTABOA appointed by the fiscal body.
- Provides that a school corporation with a majority of its property tax levies imposed in LaPorte County may, before September 1, 2014, transfer from the school corporation's

debt service fund to the school corporation's rainy day fund a total amount equal to not more than 20% of the school corporation's 2014 certified debt service fund budget.

- Establishes assessor, appraiser, and tax representative standards of conduct.
- Establishes a certification appeal board to conduct appeals brought by assessors and employees of assessors whose certifications are revoked by the department of local government finance.

Local Government Finance Issues (HEA 1266, P.L. 183-2014)

Author: Daniel Leonard

Sponsor: Brandt Hershman

- Provides that if, after an assessment date, an exempt property is transferred or its use is changed resulting in its ineligibility for an exemption, the county assessor shall terminate the exemption for that assessment date. Specifies that if the property remains eligible for an exemption following the transfer or change in use, the exemption shall be left in place for that assessment date. Provides that for the following assessment date, the person that obtained the exemption or the current owner of the property shall file an application with the county assessor.
- Requires applications for certain property tax deductions to be completed and dated in the calendar year for which the taxpayer wishes to obtain the deduction and to be filed with the county auditor on or before January 5 of the immediately succeeding calendar year.
- Provides that a petition to correct an error must be filed within three years after the taxes were first due.
- Requires a political subdivision to submit to the DLGF information concerning the adoption of budgets and tax levies using the DLGF's computer gateway.
- Provides that publication requirements in current law continue in 2014 for 2015 budgets (along with the new requirements added in the bill concerning submission of budget and levy information to the DLGF's computer gateway). Requires the DLGF to make this information available to taxpayers through its computer gateway and provide a telephone number through which taxpayers may request copies of a political subdivision's information.
- Specifies that for taxes due and payable in 2015 and 2016, each county shall publish a notice stating the Internet address at which the budget information is available and the telephone number through which taxpayers may request copies of a political subdivision's budget information. Allows counties to seek reimbursement from the political subdivisions in the county for the cost of the notice. Provides that if a political subdivision timely submits the budget information to the DLGF's computer gateway but subsequently discovers the information contains a typographical error, the political subdivision may request permission from the DLGF to submit amended information.
- Specifies the conditions under which the DLGF shall increase a political subdivision's tax levy to an amount that exceeds the amount originally advertised or adopted by the political subdivision. Provides that if the DLGF increases a tax levy under this provision, the DLGF shall (unless the department finds extenuating circumstances) reduce the levy below the maximum allowable levy by the lesser of: (1) 5% of the difference between the advertised or adopted levy and the increased levy; or (2) \$100,000.

- Allows DeKalb County and the towns of Middlebury, Lewisville, and Mooreland to borrow money to offset levy reductions made by the DLGF because budget and property tax levy information were not properly advertised. Eliminates the provision added in 2013 that specifies that the exemption from the property tax levy limits for property taxes to pay debt does not apply to property taxes imposed by a township to repay money borrowed under the emergency loan provisions.
- Specifies that the balance maintained by the provider unit of a fire protection territory may not exceed 120% of the budgeted expenses of the territory.
- Deletes current law requiring certain specified reporting of other post employment benefits (OPEB) information, and adds a provision requiring a political subdivision to annually report information and data on its retiree benefits and expenditures.

State and Local Tax Matters (HEA 1380, P.L. 190-2014)

Author: Eric Turner

Sponsor: Charlie Brown

- Provides that certain calculations concerning the capture of state revenue in a motorsports investment district are based on calendar years rather than state fiscal years. Requires the Indiana motorsports commission to establish a motorsports facility fund if a motorsports investment district is established. Provides that during the term of the written agreement the commission shall each state fiscal year deposit in the motorsports facility fund at least \$2,000,000 solely from payments by the motorsports facility owners. Provides that the motorsports facility fund reverts to the state general fund on June 30 of each year. Requires the commission to request an appropriation in each state fiscal year that the written agreement is in effect equal to the amount deposited into the motorsports facility fund. Provides that the amount of the appropriation must be deposited into the motorsports investment district fund. Requires the department of state revenue to annually notify entities of the incremental tax amounts and the reversion amount from the motorsports facility fund.
- Provides that an entity is not considered to have Indiana income for purposes of the state income tax merely because of certain logistics activities concerning the distribution of legend drugs, medical devices, or medical supplies that are conducted in Indiana by a third-party logistics provider.
- Repeals the following income tax credits: (1) Prison investment credit. (2) Riverboat building credit. (3) Blended biodiesel credit. (4) Ethanol production credit. (5) Voluntary remediation tax credit. (6) Energy savings tax credit. (7) New employer tax credit.
- Allows a taxpayer whose qualified investment to build or refurbish a riverboat is certified by the Indiana economic development corporation before January 1, 2015, to claim a tax credit in the year that the qualified investment is made as if the riverboat building tax credit had not been repealed.
- Provides a credit against county economic development income taxes for taxes paid to local governments outside Indiana.
- Removes a reference to propane and butane in the special fuel tax law in conformance with HEA 1180-2014.

- Allows the department of state revenue to deny or suspend certain oversize and overweight vehicle permits if the applicant or permit holder is delinquent in paying escort fees to the state police department.
- Provides that all Indiana adjusted gross income tax return and financial institutions tax return due date extensions are treated the same as an extension granted because of a federal income tax due date extension.
- Requires the annual budget of the Lake County convention and visitor bureau to be published on the department of local government finance's gateway Internet web site.
- Extends the current Vanderburgh County innkeeper's tax revenue distributions through December 31, 2019.
- Specifies that aviation manufacturing, aviation assembly, and aviation research and development facilities are aviation related property or facilities for purposes of the airport law.
- Specifies the amount that shall be collected by the department of state revenue for registrations of vehicles in a commercial fleet, if the department adopts rules to implement staggered registration.
- Increases the maximum property tax levy for Washington Township in Hamilton County in 2015.
- Requires the office of the secretary of family and social services to study and report on the benefits provided to individuals whose income does not exceed 200% of the federal income poverty level.
- Urges the legislative council to study issues related to holding the proceeds of the sale of a major county asset in trust.

State and Local Taxation (SEA 1, P.L. 80-2014)

Author: Brandt Hershman

Sponsor: Timothy Brown

- Specifies that the county income tax council of a county may adopt an ordinance providing that if for a particular assessment date the acquisition cost of a taxpayer's business personal property in a county is less than \$20,000: (1) the taxpayer is not required to file a personal property return for the taxpayer's business personal property in the county for that assessment date; and (2) the taxpayer's business personal property in the county for that assessment date is exempt from taxation. Specifies that such an exemption ordinance may apply to assessment dates after December 31, 2015. Specifies that this exemption does not apply to mobile homes assessed as personal property, personal property held as an investment, or personal property that is owned by certain utilities subject to regulation by the utility regulatory commission and is assessed as utility property.
- Requires the taxpayer to file a certification with the county assessor before May 15 of the year in which the assessment date occurs, and imposes a penalty if the annual certification is not timely filed.
- Provides that the tax rate for certain tax increment financing areas shall be calculated as if this exemption were not in effect.
- Provides that a county income tax council may adopt an ordinance to exempt from property taxation any new business personal property that is located in the county.

Specifies that this exemption does not apply to mobile homes assessed as personal property, personal property held as an investment, or personal property that is owned by certain utilities subject to regulation by the utility regulatory commission and is assessed as utility property.

- Provides that a designating body may establish an enhanced abatement schedule for personal property that may not exceed 20 years.
- Provides that if a county or municipality receives a reimbursement, repayment, or penalty from a taxpayer on account of the taxpayer's failure to comply with the statement of benefits provided by the taxpayer as part of a property tax abatement or on account of the taxpayer's failure to comply with any other requirement to receive a property tax abatement, the county or municipal fiscal officer shall distribute the amount of the reimbursement, repayment, or penalty on a pro rata basis to each taxing unit that contains the property that was subject to the abatement deduction.
- Phases down the corporate income tax rate from 6.5% in 2015 to 4.9% after June 30, 2021.
- Phases down the financial institutions tax rate to 4.9% in calendar year 2023.
- Provides that a retail merchant engaged in selling bulk propane at retail in Indiana shall claim a credit before June 30, 2014, equal to the sales tax paid by the retail merchant's customers after December 31, 2013, and before April 1, 2014, on that part of the price of bulk propane that exceeded \$2.50 per gallon. Requires such a retail merchant to provide a credit to customers of the retail merchant on their next purchase of bulk propane occurring after the retail merchant claims the credit. Specifies that retail merchants are entitled to a collection allowance for administering the credits provided to customers.
- Establishes the commission on business personal property and business taxation to study certain issues during 2014.

Local Appropriations for Memorial Day Expenses (SEA 58, P.L. 4-2014)

Author: Allen Paul

Sponsor: Richard Hamm

- Removes an outdated list of veterans' organizations from the statute authorizing counties, townships, cities, and towns to appropriate money to veterans' organizations to defray the expenses of Memorial Day and replaces the list with a more generalized term to refer to the same organizations.

Soil Productivity Factors (SEA 111, P.L. 85-2014)

Author: Jean Leising

Sponsor: Don Lehe

- Provides that the soil productivity factors used for the March 1, 2011, assessment of agricultural land must be used for the March 1, 2014, assessment date.
- Specifies that new soil productivity factors shall be used for assessment dates occurring after March 1, 2014.

Various State and Local Financial Matters (SEA 225, P.L. 91-2014)

Author: Luke Kenley

Sponsor: Timothy Brown

- Eliminates the requirement that excess state general fund reserves are to be carried over each year for purposes of determining a transfer to the pension stabilization fund and an automatic taxpayer refund.
- Permits the state library foundation to choose to have its annual audit performed by an independent certified public accountant or by the state board of accounts.
- Eliminates local unit participation in the state employee health plan.
- Repeals the requirement that the state provide a retiree health benefit plan to state employees after they become eligible for Medicare coverage.
- Repeals the mandatory contribution by state employees at retirement of unused vacation leave to the PERF 401(h) retirement medical benefits account.
- Recognizes multiparty agreements, including agreements with other states and local government units, using a transportation public-private arrangement. Modifies hearing requirements related to public-private partnership arrangements.
- Allows parties involved in a property tax appeal to agree to receive notices and other material by electronic means.

Assistance for Military Facilities (SEA 260, P.L. 95-2014)

Author: James Buck

Sponsor: Mark Messmer

- Authorizes units of local government to expend money: (1) in direct support of an active military base located within the unit or an entity located in the territory or facilities of a military base or former military base (or territory or facilities of the United States Department of Defense) that are scheduled for closing or are completely or partially inactive or closed; and (2) in support of any other entity that provides services or direct support to such an active military base or such an entity.
- Provides that redevelopment commissions, military base reuse authorities, and military base development authorities may, subject to prior approval by the unit's fiscal body, expend money and provide financial assistance (including grants and loans) to such active military bases and to such entities. Provides that the fiscal body of the unit that established such a commission or authority must separately approve each grant, loan, or other expenditure for financial assistance provided by the commission or authority under these provisions. Provides that the terms of any loan made under these provisions by a commission or authority may be changed only if the change is approved by the fiscal body of the unit that established the commission or authority.
- Excludes certain counties.

Assessment of Real Property (SEA 266, P.L. 97-2014)

Author: Scott Schneider

Sponsor: David Ober

- Specifies that if the assessed value of real property is increased above the amount of the assessed value as reduced by any assessing official or reviewing authority, the assessing official making the assessment has the burden of proving that the assessment is correct.
- Amends previous law concerning the assessor's burden of proof when an assessment is increased by more than 5% over the prior tax year by specifying the following: (1) In calculating the change in the assessment, the assessment to be used for the prior tax year is the original assessment for that prior tax year or, if applicable, the assessment for that prior tax year as last corrected by an assessing official, as stipulated or settled by the taxpayer and the assessing official, or as determined by the reviewing authority. (2) If the assessor fails to meet the burden of proof, the taxpayer may introduce evidence to prove the correct assessment. (3) If neither the assessor nor the taxpayer meets these burdens of proof, the assessment reverts to the assessment for the prior tax year. (4) These provisions concerning the burden of proof do not apply to an assessment that is based on structural improvements, zoning, or uses that were not considered in the assessment for the prior tax year.

State and Local Investments (SEA 332, P.L. 102-2014)

Author: Travis Holdman

Sponsor: Mark Messmer

- Provides that investments in municipal securities must have a stated final maturity of five years or less.
- Permits the treasurer of state to invest with supranational issuers.
- Provides that a public depository may invest funds in the same investments and for the same terms as the treasurer of state may invest funds of the state.
- Amends the Indiana Code provision that allows the treasurer of state to lend certain securities if the agreement under which the securities are lent is collateralized to provide that: (1) cash; or (2) non-cash collateral if the state is indemnified by the custodian holding the non-cash collateral; are acceptable forms of collateral.

State Board of Accounts (SEA 338, P.L. 104-2014)

Author: Brandt Hershman

Sponsor: Eric Turner

- Establishes an audit committee in the legislative department of state government to assure the independence of the state board of accounts. Specifies that the audit committee is comprised of five voting members and one advisory member. Provides that the director of the office of management and budget, or the director's designee, is the advisory member. Requires the report of each examination to be distributed to the audit committee. Requires that the appointment of and any removal of the state examiner must be approved by the legislative council.

- Eliminates the requirement that a state examiner and each deputy examiner have three consecutive years of active experience as a field examiner with the state board of accounts. Requires the state examiner to have at least five years of accounting experience, including at least three years of single audit experience in the public or private sector.
- Replaces the requirement that the deputy state examiners be of different political parties with a requirement that not more than two of the three members of the state board of accounts be members of the same political party.
- Provides for staggered four year terms for members of the state board of accounts.

Various Tax Matters (SEA 367, P.L. 166-2014)

Author: Brandt Hershman

Sponsor: Eric Turner

- Specifies that the county auditor makes certain requested advances to political subdivisions within the county.
- Specifies that an active duty military member who maintains ownership of a home in Indiana and is ordered to deploy outside of Indiana may maintain eligibility for a homestead deduction.
- Provides that for purposes of the circuit breaker credit, residential property: (1) includes a single family dwelling that is under construction and the land, not exceeding one acre, on which the dwelling will be located; and (2) excludes real property that consists of a commercial hotel, motel, inn, tourist camp, or tourist cabin.
- Requires the state board of finance to make a loan to a school corporation from the rainy day fund, if the school corporation's petition for a loan from the fund was denied in October 2013 and a general fund referendum was not passed in 2014 by the voters in the school corporation.
- Specifies that delinquent penalties, fees, and interest are included in the amounts due for determining whether a parcel is included on the delinquency list for purposes of the tax sale law.
- Makes the 2012 maximum property tax levy adjustment for Fairfield Township in Tippecanoe County permanent. Restores the requirement deleted by SEA 207-2014 that the department of local government finance (DLGF) must approve the ballot language proposed by a school corporation for a school general fund referendum and restores the related certification procedures. Removes the requirement added by SEA 207-2014 that the county election board of the county or counties in which the school corporation is located must either approve or revise the proposed ballot language and removes related changes.
- Provides that the sales tax rate on a motor vehicle that a purchaser intends to transport outside Indiana within 30 days and title or register for use in another state or country is the rate of that state or country.
- Extends the sales and use tax exemption for aircraft repair and maintenance.
- Authorizes a shareholder, partner, or member of a pass through entity to claim the industrial recovery tax credit.
- Specifies that contributions to organizations that provide services to individuals who are ex-offenders are eligible for the neighborhood assistance credit.

- Provides that beginning in 2015, the office of community and rural affairs administers the historic rehabilitation income tax credits.
- Changes the schedule of maximum property tax rates that may be imposed by an airport authority.
- Includes a maximum tax rate calculation that provides that the tax rate is not decreased to a level where the airport authority would initially lose tax revenue as the assessed value increases.
- Provides that if a taxpayer fails to make a payment under a property tax payment arrangement, the county treasurer and the taxpayer may enter into a subsequent arrangement and avoid the penalties otherwise due.
- Makes changes to the income tax credit for property taxes paid on homesteads in Lake County.
- Provides that if the cost of the credit is less than \$8,500,000, riverboat admissions tax revenue equal to the difference between \$8,500,000 and the cost of the credits shall be paid to the northwest Indiana regional development authority and used for public mass rail transportation in Lake County.
- Requires electronic filings for cigarette and alcoholic beverage taxes.
- Makes changes to the membership requirements for the Madison County visitor and convention commission.
- Requires township trustees to publish the annual abstract of receipts and expenditures within four weeks after the third Tuesday following the first Monday in February. Requires redevelopment commissions, authorities, and departments to submit certain information to the DLGF before July 1, 2014. Provides that the DLGF shall deliver the report required by SEA 118-2014 by October 1, 2014 (rather than August 1, 2014).
- Requires the office of management and budget to prepare certain studies.

Property Tax Deadlines (SEA 420, P.L. 111-2014)

Author: Randall Head

Sponsor: Milo Smith

- Changes for property taxation purposes: (1) the assessment and valuation date for property to January 1; (2) the date a reassessment of a group of parcels in a particular class of real property begins to May 1; (3) the date after which changes on an amended property tax roll over as a credit to a subsequent year to April 1; (4) the exemption filing date to April 1; and (5) various other related dates.
- Requires the department of local government finance to certify to each county the assessed values tentatively determined for public utilities by June 1.
- Changes the deadline for meeting to fix the budget for school corporations that have elected to use a fiscal year budget to April 1.

Professional Licensing Matters (SEA 421, P.L. 112-2014)

Author: Randall Head

Sponsor: Jud McMillin

- Allows a county fiscal body to waive certification requirements for certain members of the property tax assessment board of appeals appointed by the fiscal body.

- Establishes assessor, appraiser, and tax representative standards of conduct.
- Removes a provision specifying that a crematory authority may deliver cremated remains to a funeral director in person or by registered mail.
- Replaces the regulated occupations evaluation committee with the jobs creation committee.
- Provides that the funds from certain professions may be used by that profession's board to pay for the administrative expenses of the profession.
- Makes a change to the definition of "attest" to concur with the Uniform Accountancy Act.
- Allows a member of the Indiana board of accountancy (board) to serve three terms. Creates a status of "retired" for certified public accountants. Increases the cap on the accountant investigative fund (fund) to \$1,000,000 and directs fines that can currently be imposed by the board to the fund.
- Removes the requirements that a home inspector's, massage therapist's, private investigator firm's, or security guard agency's insurance list the state as an additional insured.
- Delays the expiration of certain provisions concerning a certified direct entry midwife and penalties concerning the practice of midwifery.
- Requires a nonresident pharmacy to submit an inspection report from the applicant's home state.
- Allows a graduate from a foreign college of veterinary medicine who has a Program for the Assessment of Veterinary Medical Education Equivalence certificate to meet the qualification of graduating from an accredited college of veterinary medicine for purposes of certain licensure exemptions and for applying for a veterinary license.
- Provides that the state board of funeral and cemetery service (board) has 180 days to investigate a verified complaint. Gives the board discretion to order restitution from the preneed consumer protection fund.
- Provides money in the controlled substances data fund to be used for the administration of the INSPECT program.
- Requires the Indiana professional licensing agency (agency) to report to the legislative council not later than October 1, 2014, concerning establishing a process for individuals in certain occupations to certify the individual's qualifications to be included on a list maintained by the agency.

Pensions

Pension Thirteenth Checks (HEA 1074, P.L. 176-2014)

Author: Woody Burton

Sponsor: Greg Walker

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

Public Pensions (HEA 1075, P.L. 177-2014)

Author: Woody Burton

Sponsor: Greg Walker

- Provides that the board of trustees (board) of the Indiana public retirement system may not, before January 1, 2017, enter into an agreement with a third party provider to provide annuities to retiring and retired members of the public employees' retirement fund (PERF) and the teachers' retirement fund (TRF).
- Specifies the interest rate used to determine the annuity amount is: (1) 5.75%, after September 30, 2014, and before October 1, 2015 and (2) the greater of: (A) the interest rate for similar annuities being purchased in the private market as determined by the board; or (B) 4.5%; after September 30, 2015, and before January 1, 2017.
- Provides that, after December 31, 2016, whenever the board enters into an agreement with a third party provider, the interest rate used to determine the annuity amount is equal to the rate for similar annuities being purchased in the private market as recommended by the third party provider.
- Removes language terminating an annual pension paid to the surviving spouse of a governor if the surviving spouse remarries.
- Increases from 3% to 5% the maximum percentage of a state employee's base salary that may be deducted as an automatic contribution to the state's deferred compensation plan.

Emergency Medical Services Provider Disability Benefits (SEA 61, P.L. 20-2014)

Author: Phillip Boots

Sponsor: Randall Frye

- Authorizes a municipal corporation to provide programs of disability insurance (programs) to its emergency medical services providers who become disabled as the result of an injury or illness: (1) that is not covered by worker's compensation or occupational diseases compensation; or (2) for which worker's compensation or occupational diseases compensation has been exhausted.
- Provides that the elimination or waiting period before a benefit begins may not be greater than: (1) 30 days, for a short term disability program; or (2) 120 days, for a long term disability program.
- Allows a municipal corporation to provide the programs by purchasing policies of group insurance or establishing a self-insurance program.
- Requires the fiscal body of a municipal corporation to approve the establishment of a self-insurance program.
- Allows the programs to exclude part-time employees and individuals who provide services to the municipal corporation under a contract.

Lump Sum Payment of ASA Contributions (SEA 117, P.L. 22-2014)

Author: Michael Young

Sponsor: David Frizzell

- Provides that contributions posted to a public employees' retirement fund (PERF) or teachers' retirement fund (TRF) member's annuity savings account (ASA) after the final

date on which the PERF or TRF member's retirement benefit is processed may be distributed to the member as determined by the rules of the board of trustees (board) of the Indiana public retirement system.

- Removes a requirement that these contributions be paid as a lump sum.
- Requires the board to obtain the member's consent to the form of the distribution if the amount exceeds \$1,000.

Public Employee Contributions to ASA Only Pension Plan (SEA 209, P.L. 5-2014)

Author: Greg Walker

Sponsor: Woody Burton

- Permits a member of the public employees' defined contribution plan (ASA only plan) to make contributions to the ASA only plan in addition to the required contribution of 3% of the member's compensation paid by the state on behalf of the member each year.
- Provides that additional contributions to the ASA only plan are made on the same basis and subject to the same limitations as additional contributions made by a member of the public employees' retirement fund.

Public Safety

Surveillance and Privacy (HEA 1009, P.L. 170-2014)

Author: Eric Koch

Sponsor: Brent Steele

- Requires a law enforcement officer to obtain a search warrant in order to use an unmanned aerial vehicle, with certain exceptions.
- Exempts electronic or video toll collection activities and facilities from certain restrictions relating to video and electronic surveillance and data collection.
- Provides that a law enforcement officer may not compel a person to provide a passkey, password, or keycode to any electronic communication service, electronic device, or electronic storage, or any form of stored electronic user data without a valid search warrant issued by a judge.
- Prohibits a law enforcement officer or law enforcement agency from using a real time tracking instrument that is capable of obtaining geolocation information concerning a cellular device or a device connected to a cellular network unless certain conditions are met.
- Provides that, except for a law enforcement officer or governmental entity who has obtained a search warrant, a person who knowingly or intentionally places a camera or electronic surveillance equipment that records images or data of any kind while unattended on the private property of another person without the consent of the owner or tenant of the private property commits a Class A misdemeanor.
- Establishes a procedure to use electronic mail to apply for a warrant.
- Provides immunity from civil and criminal liability for certain entities that provide information pursuant to certain court orders.

- Provides certain procedures for the issuance of search warrants concerning electronic communication service or remote computing service that affect the law concerning a journalist's privilege against disclosure of an information source.
- Urges the legislative council to assign to a study committee during the 2014 legislative interim the topic of digital privacy, including: (1) issues related to searches of electronic devices, compelling the disclosure of electronic user data, the collection and use of geolocation information, and the collection and use of biometric information by government agencies; and (2) any other issue concerning digital privacy and related subjects.

Broadcasters During Emergencies or Disasters (HEA 1037, P.L. 172-2014)

Author: Kevin Mahan

Sponsor: Michael Crider

- Provides that: (1) broadcasters shall develop comprehensive and coordinated plans for preparation for and responding appropriately to an emergency or disaster; and (2) any statewide organization or a member of a statewide organization that represents broadcasters may establish a program for training and certifying broadcast engineers and technical personnel as first response broadcasters.
- Provides that: (1) communications service providers shall develop comprehensive and coordinated plans for preparation for and responding appropriately to an emergency or disaster; and (2) any statewide organization or a member of a statewide organization that represents communications service providers may establish a program for training and certifying broadcast engineers and technical personnel as first response broadcasters.

Proceeding Through an Intersection at a Red Light (HEA 1080, P.L. 206-2014)

Author: Michael Karickhoff

Sponsor: Brandt Hershman

- Authorizes the operator of a: (1) motorcycle; (2) motorized bicycle; (3) motor scooter; or (4) bicycle; approaching an intersection that is controlled by a traffic control signal to proceed through the intersection on a steady red signal under certain circumstances.

Methamphetamine Lab Disclosure in Property Sales (HEA 1141, P.L. 180-2014)

Author: Wendy McNamara

Sponsor: Randall Head

- Provides that the state police department (and not the Indiana criminal justice institute) maintains the methamphetamine laboratory web site (web site).
- Provides that a property used for the manufacture of methamphetamine may not be placed on the web site until 180 days after the methamphetamine laboratory is reported to the state police department, and specifies that the state police department may not place a property on the web site if it was decontaminated before being placed on the web site.
- Provides that a property must be removed from the web site in accordance with the statute that requires the web site to be established.

- Specifies that if methamphetamine is manufactured in an apartment of a multi-unit complex, only the specific unit in which the methamphetamine was manufactured may be included on the web site.
- Requires a person who manufactures methamphetamine on property owned by another person to pay restitution to the owner for the owner's actual damages, including lost rents and the costs of decontamination.

Various Motor Vehicle Issues (HEA 1279, P.L. 217-2014)

Author: Jud McMillin

Sponsor: Michael Young

- Makes various changes to criminal law provisions in motor vehicle law. Modifies statutes concerning driver's license suspension and revocation. Modifies the duties of an operator of a motor vehicle if the operator is involved in certain accidents. Modifies the definition of "highway work zone". Repeals sections concerning "street cars". Repeals certain motor vehicle fraud provisions, and creates a new motor vehicle fraud statute. Creates specialized driving privileges. Requires the bureau of motor vehicles to adopt rules to specify reasonable grounds for suspension or revocation of driving privileges, driver's licenses, certificates of registration, or license plates.
- Provides that a motor vehicle may be stopped to determine compliance with motor vehicle window tinting standards but may not be inspected, searched, or detained solely because of a violation of window tinting standards.
- Creates the habitual vehicular substance offender designation and sentencing.
- Requires: (1) the state department of toxicology (department) to develop standards and testing for ignition interlock devices (devices); and (2) all devices used in Indiana after July 1, 2015 to be certified under rules adopted by the department. Requires a vendor or provider of devices to: (1) report to the court or court's designee certain occurrences concerning the use of devices; and (2) provide any reports or data requested by the department.

Motor Driven Cycles (HEA 1343, P.L. 221-2014)

Author: David Wolkins

Sponsor: James Buck

- Repeals obsolete provisions concerning an interim study of motorized bicycles. Defines "Class A motor driven cycle", "Class B motor driven cycle", and "motor driven cycle". Repeals the definitions of "motor scooter" and "motorized bicycle".
- Provides that the county motor vehicle excise surtax and the motor vehicle excise tax apply to motor driven cycles. Requires that motor driven cycles must be registered with the bureau of motor vehicles. Excludes motor driven cycles from titling requirements.
- Requires that a license plate must be displayed on a motor driven cycle. Provides that certain equipment requirements and traffic regulations apply to motor driven cycles.
- Requires an individual who operates a Class A motor driven cycle to hold a valid driver's license with a motorcycle endorsement or a motorcycle endorsement with a Class A motor driven cycle restriction and to provide proof of financial responsibility.

- Requires an individual who operates a Class B motor driven cycle to hold an unexpired identification card with a Class B motor driven cycle endorsement or a valid driver's license.
- Provides that a motor driven cycle may not be operated on an interstate highway. Provides that the operation of a Class B motor driven cycle may be a defense to certain motor vehicle offenses.
- Excludes motor driven cycles from: (1) the definition of "motorized cart" for purposes of certain natural resource laws; and (2) certain motor vehicle protection laws.

Downloading of Cellular Telephone Information by Police (HEA 1384, P.L. 191-2014)

Author: Mike Speedy

Sponsor: Brent Waltz

- Prohibits a police officer from extracting or otherwise downloading information from a telecommunications device without the owner's consent for a violation of the law concerning typing, transmitting, or reading a text message while operating a motor vehicle unless: (1) the police officer has probable cause to believe that the telecommunications device has been used in the commission of a crime; (2) the information is extracted or otherwise downloaded under a valid search warrant; or (3) otherwise authorized by law.
- Provides that if a law enforcement officer detains a person because the law enforcement officer believes the person has committed an infraction or ordinance violation, the law enforcement officer may not, without the person's consent, extract or otherwise download information from a cellular telephone or another wireless or cellular communications device possessed by the person at the time the person is detained unless: (1) the law enforcement officer has probable cause to believe that the cellular telephone or other wireless or cellular communications device has been used in the commission of a crime; (2) the information is extracted or otherwise downloaded under a valid search warrant; or (3) otherwise authorized by law.

Regulation of Residential Rental Property (HEA 1403, P.L. 193-2014)

Author: Jud McMillin

Sponsor: Travis Holdman

- Provides that the owner of a rental unit assessed any fee by a political subdivision pertaining to the rental unit may: (1) notify the tenants of the rental unit of the assessment of the fee; and (2) require the tenants of the rental unit to reimburse the owner for the payment of the fee.
- Requires fees regarding rental units and rental communities to be deposited in a dedicated fund to for reimbursement of costs actually incurred by the political subdivision relating to the imposition and amount of the fee.
- Restricts the circumstances and conditions in which a political subdivision may require a rental unit's owner or landlord to obtain a permit.
- Allows an owner of a rental unit to obtain an exemption from a political subdivision's inspection and inspection fee requirements if the rental unit satisfies certain requirements.

- Allows a political subdivision to impose a penalty for an act constituting a nuisance or ordinance violation. Allows a successful county, city, or town or a successful defendant to recover attorney's fees incurred in a nuisance action.
- Provides that a political subdivision may assess an annual registration fee.

Natural Resource Matters (SEA 4, P.L. 194-2014)

Author: Brent Steele

Sponsor: Randall Frye

- Allows the manager of a public use airport, or the manager's designee, to chase or take at any time, without a hunting license, a white-tailed deer, coyote, wild turkey, or migratory bird that poses a threat to aircraft within the airport operations area.
- Requires a manager of a public use airport, or the manager's designee, to report annually to the department of natural resources certain information concerning the animals killed on the airport's property.
- Requires a manager of a public use airport, or the manager's designee, to obtain a permit to chase or take a wild animal if the manager or the manager's designee does not comply with the reporting requirement.

Minors and Tanning Devices (SEA 50, P.L. 82-2014)

Author: Patricia Miller

Sponsor: Dennis Zent

- Prohibits a person less than 16 years of age from using a tanning device in a tanning facility.
- Repeals a provision requiring a person less than 16 years of age to be accompanied by a parent or guardian when using a tanning device in a tanning facility.
- Repeals the tanning facility committee.

Natural and Cultural Resource Penalties (SEA 52, P.L. 195-2014)

Author: Brent Steele

Sponsor: Sean Eberhart

- Amends penalties for violating certain statutes in IC 14 (natural and cultural resources).
- Amends certain boating requirements.
- Repeals a law prohibiting a boat from sounding a horn.

School Resource Officers (SEA 85, P.L. 30-2014)

Author: Pete Miller

Sponsor: Alan Morrison

- Permits the secured school safety board to award a matching grant for school resource officer training.
- Requires a school resource officer to be: (1) employed by a law enforcement agency; (2) appointed as a police reserve officer or special deputy; or employed as a school corporation police officer.

- Permits the Indiana law enforcement training board to approve school resource officer training programs.

Firearms (SEA 169, P.L. 152-2014)

Author: Michael Young

Sponsor: Jud McMillin

- Makes it a Level 5 felony for a person to provide an individual with a firearm if the person knows that the individual: (1) is legally ineligible to possess a firearm; or (2) intends to use the firearm to commit a crime; and increases the penalty to a Level 3 felony if the firearm is used to commit murder.
- Provides a defense for certain persons accused of providing firearms to ineligible individuals if: (1) the accused person contacted NICS to request a background check on the individual; and (2) the accused person received authorization from NICS to provide the firearm to the individual.
- Makes theft a Level 6 felony instead of a Class A misdemeanor if the property involved is a firearm.
- Allows the state to seek a sentencing enhancement of from five years to 20 years if a person uses a firearm to commit: (1) a felony against the person that results in death or serious bodily injury; (2) kidnapping; or (3) criminal confinement as a Level 2 or Level 3 felony.

Community Supervision (SEA 171, P.L. 24-2014)

Author: Michael Young

Sponsor: Jud McMillin

- Requires a community corrections program to develop a plan of collaboration with the county probation department as a condition of receiving financial assistance from the department of correction.
- Permits the commissioner of the department of correction to award additional financial aid to counties with an approved community supervision collaboration plan.

Firearm Matters (SEA 229, P.L. 157-2014)

Author: James Tomes

Sponsor: Sean Eberhart

- Allows a firearm that may be destroyed to be sold to a salvage company and destroyed by dismantling the firearm for parts, scrap metal, or recycling, or for resale as parts for other firearms.
- Provides that a unit may conduct a firearms buyback program with private funds or grants.
- Establishes a procedure to permit certain individuals whose firearms have been retained by a law enforcement agency to have the firearms sold at auction and the proceeds, less the costs of sale, returned to the individual.
- Removes a provision from the law making possession of a firearm on property that is being used by a school for a school function a felony. Provides, for purposes of the law

concerning possession of firearms on school property, that the law does not apply to certain students who are members of a shooting sports team or certain individuals who may legally possess a firearm and possess a firearm that is locked in the trunk of the person's motor vehicle, kept in the glove compartment of the person's locked motor vehicle, or stored out of plain sight in the person's locked motor vehicle.

- Specifies that the law concerning firearms in locked vehicles does not prohibit an employer from prohibiting an employee from possessing a firearm or ammunition at the employer's residence.
- Provides that the chapter concerning possession of firearms on school property and school buses does not apply to a person who may possess the firearm and possesses the firearm in a motor vehicle.
- Makes it a Class A misdemeanor if certain persons leave a firearm in plain view in a motor vehicle parked in a school parking lot.
- Removes a provision from the law concerning firearms in locked vehicles that allows a person to adopt or enforce an ordinance, a resolution, a policy or rule that prohibits an employee of the person from possessing a firearm or ammunition in or on school property, in or on property that is being used by a school for a school function, or on a school bus in violation of: (1) student discipline laws concerning possession of firearms; or (2) the law concerning possession of firearms on school property and school buses.
- Provides that a person may adopt or enforce an ordinance, a resolution, a policy, or a rule that prohibits an employee from possessing a firearm or ammunition in a motor vehicle that is owned, leased, or controlled by a school or school district.

Human Trafficking Investigations (SEA 291, P.L. 162-2014)

Author: John Waterman

Sponsor: Casey Cox

- Provides that "law enforcement agency", for purposes of receiving information concerning a violation of the human trafficking statute, includes the attorney general and an agency whose principal function is the apprehension of criminal offenders.
- Specifies that the attorney general has the same authority as a law enforcement agency to access and maintain information regarding a violation of the human trafficking statute. Permits the attorney general to assist with the investigation and prosecution of a violation of the human trafficking statute.

Home Inspections (SEA 329, P.L. 163-2014)

Author: Earline Rogers

Sponsor: Rick Niemeyer

- Requires attic spaces and basements or crawl spaces to be inspected during a home inspection.

Law Enforcement Training and Emergency Services (SEA 343, P.L. 164-2014)

Author: Timothy Lanane

Sponsor: Casey Cox

- Requires the law enforcement training board to adopt rules for minimum standards for a course of study on cultural sensitivity training, including training on the U nonimmigrant visa.
- Provides that a county law enforcement continuing education program: (1) shall provide to each law enforcement officer employed by the county; and (2) may provide to each law enforcement officer employed by a city or town law enforcement agency within the county; continuing education concerning the U nonimmigrant visa and continuing education concerning cultural diversity awareness that includes an understanding of certain cultural issues.
- Requires the Indiana Emergency Medical Services Commission to establish protocols for persons who provide emergency medical services to notify law enforcement when services have been provided to an individual who has attempted to commit suicide and who has indicated that the attempt was due in part to bullying.

Department of Homeland Security (SEA 387, P.L. 29-2014)

Author: Thomas Wyss

Sponsor: Randall Frye

- Eliminates the designation of the division of planning and assessment as the division within the department of homeland security that disburses federal and state homeland security funds to the state and local governments.
- Transfers from the state department of health to the department of homeland security the authority to regulate radioactive materials.
- Requires the fire prevention and building safety commission to elect one of its members as vice chair of the commission and provides that, in the absence of the chair, the vice chair shall perform the duties of the chair.
- Removes, from the law requiring the fire prevention and building safety commission to adopt a statewide code of fire safety laws, certain language pertaining to a previous statewide code of fire safety and building laws.

Transportation

Transportation Funding (HEA 1002, P.L. 201-2014)

Author: Tim Brown

Sponsor: Luke Kenley

- Authorizes the budget agency to transfer not more than \$200,000,000 from the state general fund to the major moves 2020 trust fund (trust fund).
- Provides that the transfer is in addition to a transfer from the state general fund to the trust fund made before January 1, 2014.

- Authorizes the budget agency, after review by the budget committee, to transfer before July 1, 2014, not more than \$200,000,000 from the trust fund to the major moves construction fund (construction fund).
- Provides that if a transfer is made to the trust fund from the state general fund after December 31, 2013, and subject to budget committee review, the budget agency may transfer from the trust fund to the construction fund an additional amount equal to the lesser of \$200,000,000 or the total amount of transfers made to the trust fund after December 31, 2013.

Unobstructed Views at Railroad Crossings (HEA 1057, P.L. 205-2014)

Author: Harold Slager

Sponsor: Rodric Bray

- Requires the Indiana department of transportation (INDOT) to adopt rules concerning distances for maintaining an unobstructed view within (rather than from) a railroad right-of-way.
- Provides that a rule adopted by INDOT concerning distances for unobstructed views within railroad rights-of-way replaces any common law duties imposed on a railroad with respect to the distances established under the rule.

INDOT Eminent Domain Actions (HEA 1076, P.L. 11-2014)

Author: Dennis Zent

Sponsor: James Bacon

- Reduces from six to three years the deadline by which the Indiana department of transportation or any other person seeking to acquire property for road construction must file a complaint to acquire the property by the exercise of eminent domain following the rejection of an offer to purchase by the owner of the property.
- Requires a court to conduct an expedited hearing of the complaint.
- Provides that a party to the court proceeding is entitled to an expedited appeal of the court's final ruling under rules to be adopted by the supreme court.

Various Motor Vehicle Issues (HEA 1279, P.L. 217-2014)

Author: Jud McMillin

Sponsor: Michael Young

- Makes various changes to criminal law provisions in motor vehicle law. Modifies statutes concerning driver's license suspension and revocation. Modifies the duties of an operator of a motor vehicle if the operator is involved in certain accidents. Modifies the definition of "highway work zone". Repeals sections concerning "street cars". Repeals certain motor vehicle fraud provisions, and creates a new motor vehicle fraud statute. Creates specialized driving privileges. Requires the bureau of motor vehicles to adopt rules to specify reasonable grounds for suspension or revocation of driving privileges, driver's licenses, certificates of registration, or license plates.

- Provides that a motor vehicle may be stopped to determine compliance with motor vehicle window tinting standards but may not be inspected, searched, or detained solely because of a violation of window tinting standards.
- Creates the habitual vehicular substance offender designation and sentencing.
- Requires: (1) the state department of toxicology (department) to develop standards and testing for ignition interlock devices (devices); and (2) all devices used in Indiana after July 1, 2015 to be certified under rules adopted by the department. Requires a vendor or provider of devices to: (1) report to the court or court's designee certain occurrences concerning the use of devices; and (2) provide any reports or data requested by the department.

Central Indiana Transit (SEA 176, P.L. 153-2014)

Author: Patricia Miller

Sponsor: Jerry Torr

- Provides for the establishment or expansion of public transportation services other than light rail in an eligible county through a local public question placed on the ballot under an ordinance adopted by the fiscal body of the eligible county. Requires the department of local government finance to review and approve the language of a local public question.
- Provides that Delaware County, Hamilton County, Hancock County, Johnson County, Madison County, and Marion County are eligible counties.
- Authorizes eligible counties to fund approved public transportation projects through various parts of the local option income tax rates that are available under current law for other purposes. Requires that fares must cover at least 25% of the operating costs of a transportation system established or expanded under the bill. Requires that revenue raised from sources other than taxes and fares must: (1) equal at least 10% of the local option income tax revenue that the budget agency certifies that an eligible county will receive in the first year of operations of a public transportation project; and (2) cover at least 10% of the operating costs of a transportation system established or expanded under the bill in the second year and thereafter. Provides that eligible counties are responsible for covering any shortfalls in raising alternative revenues. Requires foundations to be established in eligible counties for the purpose of meeting the alternative revenue requirements. Authorizes interlocal agreements, public-private partnerships, and bonding with respect to a public transportation project.
- Prohibits a political subdivision from using public funds to promote a position on a local public question regarding transit.
- Provides that the provisions in the bill do not create a moral obligation of the state. Specifies that no general revenues of the state may be used to pay for a transportation project or service under the provisions in the bill (but that this restriction does not apply to distributions from the public mass transportation fund).
- Requires goals for participation by minority business enterprises, veteran business enterprises, and women's business enterprises in the development of a public transportation project.
- Provides that the public mass transportation fund distribution formula is subject to annual review by the budget committee and approval of the budget director.

- Authorizes the fiscal body of a township that is: (1) located in an eligible county in which the county fiscal body does not adopt an ordinance to place a local public question on the ballot; and (2) adjacent to either an eligible county in which a public transportation project has been approved or a township in which a public transportation project has been approved; to adopt a resolution placing a local public question on the next general election ballot in the township concerning the establishment of a public transportation public project in the township. Requires the county fiscal body to carry out a public transportation project approved by the voters of the township and fund it through local option income taxes imposed only upon the county taxpayers who reside in the township.

Utilities

Infrastructure Improvement Costs (HEA 1132, P.L. 209-2014)

Author: William Friend

Sponsor: James Merritt

- Provides that a public utility that provides water or wastewater service may petition the utility regulatory commission for an adjustment of its basic rates and charges to allow for recovery of eligible infrastructure improvement costs.
- Requires a public utility to annually reconcile the difference between its utility rate improvement adjustment revenues and infrastructure improvement costs.
- Repeals definitions related to distribution system improvement charges.

Certificates of Need for Utilities (HEA 1162, P.L. 210-2014)

Author: Steven Braun

Sponsor: James Merritt

- Requires the utility regulatory commission to make additional findings before granting a certificate of public convenience and necessity to an applicant that proposes to construct a facility with a generating capacity of more than 80 megawatts.

Regional District Trustees (HEA 1170, P.L. 211-2014)

Author: Clyde Kersey

Sponsor: Phillip Boots

- Provides that, with respect to a regional water, sewage, or solid waste district in which a majority of ratepayers and property owners are not individuals, only an individual who is registered to vote at an address located in the district may be appointed as a trustee of the district.

Municipal Utility Service (HEA 1187, P.L. 213-2014)

Author: Ronald Bacon

Sponsor: Ed Charbonneau

- Provides that a municipal utility's offering or providing of water or wastewater service in an area outside the corporate boundaries of the utility's municipality is under the

jurisdiction of the Indiana utility regulatory commission (IURC) under certain circumstances.

- Establishes criteria that the IURC must consider in resolving service disputes involving municipal utilities.
- Provides that the IURC may recover from a municipal utility costs associated with an investigation concerning utility service outside the corporate boundaries of the municipality.

Municipal Utilities (SEA 53, P.L. 196-2014)

Author: Joseph Zakas

Sponsor: Wes Culver

- Provides that for purposes of the statutes governing municipal sewage works, the municipal legislative body may include in an ordinance adopted under the statutes one or more of the following provisions with respect to tenant-occupied property: (1) That sewer fees for the property are payable by the tenant. (2) That sewer fees for the property are payable by the tenant if the property owner or the tenant satisfies certain requirements or conditions that the municipal legislative body includes in the ordinance. (3) That sewer fees for the property do not constitute a lien against the property, subject to certain requirements or conditions set forth in the ordinance.
- Makes conforming amendments to provisions setting forth the manner in which municipal sewer liens attach and are enforced.
- Specifies that the authority to adopt these provisions concerning tenant-occupied property does not prohibit a municipality from including in an ordinance adopted under the statutes any other provision that the municipality considers appropriate. Specifies that the authority to adopt these provisions concerning tenant-occupied property does not apply to a conservancy district that provides sewage service.
- For purposes of the statutes governing municipal storm water works and municipal sewage works, amends provisions requiring notice of fee delinquencies to the owner of tenant-occupied property to provide that the notice of the delinquency must be sent to the owner: (1) regardless of whether the owner has provided an address to which the notice must be sent; and (2) at the last address of the owner as indicated in the records of the county auditor, or to another address specified by the owner in a written notice. Provides that the notice may be sent by first class mail or by certified mail (or another service equivalent to certified mail).
- Provides that, in a situation in which a municipal utility is providing services to properties located outside the municipality under contracts that provide for the property owners to make payments in lieu of annexation, if the contracts expire, the municipal utility may not terminate services to the properties and, as a condition of continuing to receive services, the owners of the properties must continue paying the rate for the services provided for in the expired contracts, for two years or until: (1) the municipal utility and the owners of the properties enter into new contracts; (2) the area in which the properties are located is annexed into the municipality; or (3) the matter is submitted to arbitration.
- Specifies that, in an arbitration proceeding, the award made by the arbitrator must establish reasonable and just terms of a new contract between the municipal utility and

the owners of the properties, considering all relevant factors, and that if either party fails or refuses to enter into a new contract according to the terms of the arbitration award, the other party may commence legal action to enforce the award.

Demand Side Management (SEA 340, P.L. 223-2014)

Author: James Merritt

Sponsor: Eric Koch

- Provides that industrial customers of an electricity supplier may opt out of participating in an energy efficiency program implemented by the electricity supplier in response to an order of the utility regulatory commission (commission) concerning demand side management (DSM) programs. Provides that the commission may adopt rules or guidelines to assist electricity suppliers and industrial customers.
- Provides that certain energy efficiency programs may not be renewed after December 31, 2014. Provides that, after December 31, 2014, an electricity supplier may offer an energy efficiency program and, if authorized by the IURC, recover associated costs. Requires the commission to provide a status report on energy efficiency programs implemented under DSM orders, including the effects on customer rates and charges, to the regulatory flexibility committee and the legislative council by August 15, 2014.

Telecommunications Service (SEA 396, P.L. 107-2014)

Author: Brandt Hershman

Sponsor: Eric Koch

- Limits the authority of the utility regulatory commission (commission) with respect to interconnection, resale of telecommunications service, and unbundled access to the authority delegated to the commission under federal law.
- Repeals a provision authorizing the commission to establish certain rates charged by incumbent local exchange carriers to payphone service providers.
- Provides that the general assembly intends for the 2010 edition of the NFPA 72, National Fire Protection Association Standard for the National Fire Alarm and Signaling Code (NFPA 72) to be incorporated into the Indiana Administrative Code (IAC). Provides that not later than July 1, 2014, the fire prevention and building safety commission (commission) shall adopt rules to incorporate NFPA 72 into the IAC. Allows the commission to adopt emergency rules to meet this requirement. Allows the commission to amend NFPA 72 as the commission considers appropriate, if the rules finally adopted by the commission do the following: (1) Incorporate the definition of, and associated requirements for: (A) a managed facilities-based voice network (MFVN); and (B) a public switched telephone network (PSTN); as set forth in NFPA 72. (2) Allow digital alarm communicator systems that make use of a MFVN to transmit signals from a fire alarm system to an offsite monitoring facility, subject to NFPA 72 requirements. Provides that if the commission does not comply with these rulemaking requirements by the date specified, the following apply on July 1, 2014: (1) The definition of and associated requirements for: (A) a MFVN; and (B) a PSTN; as set forth in NFPA 72, are considered incorporated into the IAC. (2) A person that after June 30, 2014, installs or uses a digital alarm communicator system that: (A) makes use of a MFVN to transmit signals from a

fire alarm system to an offsite monitoring facility; and (B) meets the applicable NFPA 72 requirements; is not required to obtain a variance from the commission for the installation or use.

- Provides that a communications service provider that is an eligible telecommunications carrier for purposes of the federal Lifeline Program is not exempt from: (1) the enhanced prepaid wireless charge; or (2) the monthly statewide 911 fee.

Underground Utility Facilities (SEA 405, P.L. 200-2014)

Author: Carlin Yoder

Sponsor: Heath VanNatter

- Amends the statute concerning the location and protection of underground utility facilities (facilities) during excavation or demolition activities to require, with respect to an excavation or demolition in an unincorporated area, the excavator to submit a separate locate request and notice of the excavation or demolition (notice) to the Indiana Underground Plant Protection Service (association) for at least every 2,640 linear feet of proposed excavation or demolition. Provides that a notice expires 20 days after the date the notice is submitted to the association. Provides that if, at the conclusion of the 20 day period, any part of the excavation or demolition is not complete at any part of the site for which the original notice was submitted, the excavator may not continue or resume the excavation or demolition until: (1) the excavator submits to the association a new locate request and notice for that part of the site for which the excavation or demolition is not complete; and (2) each affected utility operator (operator) provides facility locate markings for that part of the site for which the new locate request and notice are submitted.
- Provides that if an operator receiving notice of a proposed excavation determines that the operator is unable to: (1) locate and mark the operator's affected facilities not later than the expiration of the statute's mandated two-day period for doing so; or (2) mark the approximate location of the operator's affected facilities; the operator shall notify the excavator and provide additional information and, if requested, onsite assistance to the excavator.
- Provides that mechanized equipment may not be used to perform an excavation within two feet of either side of the outer limits of a facility unless the excavator meets certain conditions.
- Provides that mechanized equipment may be used for the initial penetration and removal of pavement or other manmade hard surfaces if certain conditions are met.
- Urges the legislative council to assign to a study committee during the 2014 legislative interim the topics of underground facilities generally and the technology used to determine the elevation or depth, or both, of facilities subject to the statute. Provides that if a committee is assigned this topic for study, the committee shall not later than November 1, 2014, report its findings and recommendations to the legislative council and the governor.