



Indiana Association *of*
Cities and Towns

2015 IACT Statehouse Report

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The Year for Annexation Reform

For those who work often with the municipal annexation statute, 2015 will go down in the history books as the year of great reform for annexation in Indiana. Even though only a very small number of annexations are ever remonstrated against (6-7%), the handful of remonstrators who were upset about annexation proceedings in their communities were able to gain the traction they needed at the legislature for SEA 330 to pass. IACT continued throughout the session to reinforce the message that unless Indiana's cities and towns can experience growth and expansion, the state's economic performance will slowly decline. Luckily, we were able to negotiate on some of the provisions in the bill to make the effects less drastic, but overall, it is safe to say that moving forward, the annexation process for Indiana cities and towns will be much more time consuming and cumbersome. Read more about the provisions in SEA 330 in this report.

Each year, IACT goes into the legislative session with a list of initiatives that were developed with the help of the IACT Policy Committees. This year, one of the goals was to simplify the reporting requirements for Tax Increment Financing (TIF). This was accomplished in SEA 567. In addition, IACT sought legislation which would require counties to notify cities and towns when there is a major taxpayer that appeals its assessment. This was accomplished in HEA 1603 along with a provision that allows local governments to set funds aside to pay for an assessment challenge. After years of work, there was a victory on the IACT initiative to drop the requirement for a property tax relief Local Option Income Tax (LOIT) to be adopted *first* before the Public Safety LOIT can be adopted. This measure was passed in HEA 1475. Unfortunately for our road funding initiative, we did not see an increase in funding for this biennial budget. Local road funding remained static. Finally, while we attempted again to get blanket authority for a municipality to pass a food and beverage, this measure did not pass. However, HEA 1044 calls for an interim study committee to study municipal food and beverage taxes, so we are hopeful that the debate will continue.

Also noteworthy this session was the passage of SEA 436, which addresses the calculation of assessed value for commercial properties. Following court cases brought by retail stores, Meijer and Kohl's, local governments stood to lose millions in assessed value due to these stores using vacant box stores as comparable values.

IACT stayed neutral on two major debates at the legislature this year – the Religious Freedom Restoration Act and repeal of the common construction wage. You can read more about SEA 101 (the RFRA bill), its trailer bill, SEA 50, and the common construction wage bill, HEA 1019 in this Statehouse Report.

The 2015 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 provisions are effective July 1, 2015, but some may be retroactive or have effective dates that are 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, or you can click on the hyperlinks in this document for each bill. If you have questions about legislation and you need IACT's help, you can reach a member of the IACT legislative team at (317) 237-6200.

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Administration

[State Biennial Budget \(HEA 1001, P.L. 213\)](#)

Author: Tim Brown, R-Crawfordsville

Sponsor: Luke Kenley, R-Noblesville

IACT Comments: The biennial budget contains many provisions that impact cities and towns. First, it increases the fee for State Board of Accounts' audits of local unit of government from \$45 per day to \$175 per day. As a protection, the fees collected for audits must be deposited in the State Board of Accounts Trust and Agency Fund, which is a dedicated fund that can only be used to cover the expenses of conducting audits of local units. Second, it fully funds the Regional Cities Initiative by guaranteeing the first \$84 M of a tax amnesty program to the Indiana Regional Cities Development Fund. It also requires the Statewide 911 Board to hold distributions in reserve until counties come into compliance with the requirement of a maximum of two PSAPs. Finally, it contains clean up language from HEA 1019, which repeals the Common Construction Wage and adds additional requirements for contractors working on public works projects.

- Increases the fee for taxing units for State Board of Accounts audits from \$45 per day to \$175 per day.
- Provides that fees collected for audits are to be deposited in the State Board of Accounts Trust and Agency Fund and makes the fund a dedicated fund that can be used to cover expenses of doing audits.
- Requires the Department of State Revenue to establish a tax amnesty program with the first \$84 M collected deposited into the Indiana Regional Cities Development Fund.
- Delays until July 1, 2016, the application of the following requirements to public works projects that were in HEA 1019-2015: (1) That a contractor be qualified by the Department of Administration or the Department of Transportation before doing any work on a public works project. (2) That a contractor that employs 10 or more employees provide access to an appropriate training program. (3) That a tier 1 or tier 2 contractor that employs 50 or more journeymen participate in an apprenticeship or training program for those employees. (4) That a contractor that is awarded a public works contract with an estimated cost of at least \$150,000 by a public subdivision have an employee drug-testing program.
- Reduces the "small project" cap for political subdivision public works projects from \$300,000 to \$250,000. It also adds programs of additional federal and state agencies to the list of acceptable training programs and specifies that a contractor submit employee E-Verify information to the public agency letting the public works contract.
- Establishes a program to provide matching grants to the Northwest Indiana Regional Development Authority for projects extending the Chicago, South Shore and South Bend Railway.
- Requires the Statewide 911 Board to hold distributions in reserve until the county complies with the requirement of a maximum of two PSAPs.
- Allows the Budget Agency to transfer \$100 M from the State General Fund to the Major Moves Trust Fund each year of the biennium.

Common Construction Wage and Public Works (HEA 1019, P.L. 252)

Author: Jerry Torr (R-Carmel)

Sponsor: Carlin Yoder (R-Middlebury)

IACT Comments: HEA 1019 repeals the Common Construction Wage statute and, unless required by federal or state law, prohibits a public agency from establishing, mandating, or otherwise requiring a wage scale or wage schedule for a public works project. However, if the public works contract is awarded before July 1, 2015, then the Common Construction Wage statute applies. HEA 1019 also adds additional requirements to contractors working on the public works projects such as those working on a contract estimated to cost at least \$150,000 must have a drug testing system in place. Beginning June 30, 2016, HEA 1019 also adds additional requirements on public agencies that reasonably suspect a contract has violated certain requirements to report the violations to the appropriate agency for investigation. The changes made in this bill do not apply if the project is operating under a Public-Private Partnership, design-build or construction manager as constructor. Be on the lookout for an informative and in-depth IACT white paper on the changes found in HEA 1019 soon.

- Repeals the common construction wage statute and related statutes superseded by the repeal of the common construction wage statute.
- Increases the "small project" cap for a public works project from \$150,000 to \$300,000.
- Unless required by federal or state law, prohibits a public agency from establishing, mandating, or otherwise requiring a wage scale or wage schedule for a public works project.
- Provides that the following apply to all public works projects, except public-private, design-build, and construction manager as constructor agreements: (1) Provides that a public works contract may not be structured other than in four contractor tiers. (2) Provides that each prime contractor on a public works project must perform at least 15% of the total contract price, as determined at the time the contract is awarded, with its own labor, services, or materials. (3) Requires each contractor in each contractor tier to maintain general liability insurance. (4) Requires each contractor in each contractor tier to be qualified by the department of administration or the department of transportation before doing any work on a public works project. (5) Requires certain employees of a public works contract to be "e-verified". (6) Provides that a contractor on a public works project may not pay its employees in cash. (7) Requires a contractor to comply with certain federal and Indiana laws relating to labor. (8) Requires: (A) a contractor on a public works project that employs 10 or more employees to provide access to a training program applicable to the tasks to be performed by the employees in the normal course of their employment; and (B) a tier 1 or tier 2 contractor that employs 50 or more journeymen to participate in an apprenticeship training program that meets the standards established by the United States Department of Labor, Bureau of Apprenticeship and Training. (9) For a public works contract awarded after June 30, 2016, requires that the payroll and related records of a contractor in any contractor tier must be preserved by the contractor for 3 years after

completion of the project work and be open to inspection by the department of workforce development (DWD), which must maintain the confidentiality of all records inspected.

- For a public works contract awarded after June 30, 2016, provides that a public agency that suspects the misclassification of one or more workers on the public agency's public works project may request in writing that DWD investigate the suspected misclassification, and if DWD finds information or records supporting the misclassification, DWD may refer the matter to an appropriate agency for further action.
- Provides that a public agency that reasonably suspects a contractor has violated these requirements shall refer certain violations to the appropriate agency for investigation or require the contractor to remedy certain violations not later than 30 days after the agency notifies the contractor of the violation.
- If the contractor fails to remedy the violation, requires the public agency to find the contractor to be not responsible for a period based on the severity of the violation, but for not more than 48 months.
- Provides that a finding that the contractor is not responsible may not be used by another public agency in making a determination as to whether that contractor is responsible.
- Provides that a determination that a contractor is not responsible is final and conclusive and subject to judicial review under IC 34-13-5.
- Provides that a person who, with intent to avoid the obligation to obtain worker's compensation coverage, falsely classifies an employee as a non-employee commits worker's compensation fraud.
- Provides for classification of this crime at various levels. Requires a contractor that, after June 30, 2015, is awarded a public works contract with an estimated cost of at least \$150,000 by a political subdivision to have an employee drug testing program.
- Requires the Indiana department of labor to submit to the general assembly not later than July 1, 2021, a report concerning the effects of the repeal of the common construction wage statute.
- Makes an appropriation to the Indiana Construction Roundtable Foundation of \$1 million dollars in each of the next two state fiscal years for the Foundation's use in conducting an educational marketing campaign in Indiana.

EMS Provider Death Benefit (HEA 1080, P.L. 62)

Author: Karlee Macer, D-Indianapolis

Sponsor: Phil Boots, R-Crawfordsville

- Provides a public safety officer special death benefit to an emergency medical services provider who, after June 30, 2015, dies as a direct result of personal injury or illness resulting from the provider's performance of duties under a contract entered into by the provider's employer to provide emergency medical services for a political subdivision if the provider's employer purchases coverage for all eligible emergency medical services providers of the employer.

- Provides that the cost of the coverage is \$100 per year and that an employer may purchase the coverage by making quarterly payments on dates prescribed by the board of trustees of the Indiana public retirement system.

Financial Examinations and the State Board of Accounts (HEA 1104, P.L. 181)

Author: Matt Lehman, R-Berne

Sponsor: Randy Head, R-Logansport

IACT Comments: This is the State Board of Accounts bill that allows them to move to a “Needs and Risk-Based” system for determining the frequency of audits. Current law requires annual audits, but a lack of funding and insufficient staffing levels have made that unattainable. IACT worked with SBOA to define “need” so that any unit who issues bonds, receives federal grants or has continuing disclosure requirements shall receive an audit annually. “Risk” criteria for triggering an audit are more subjective based on SBOA findings. Under the new law, units must receive an audit at minimum every four years. The SBOA also pushed for an increase in audit fees from \$45 per day to \$175 per day. This fee increase is contained in HEA 1001. IACT supported the fee increase so long as certain provisions passed, including a separate fund for the fees to promote greater transparency (HEA 1001) and other provisions in HEA 1001.

- Permits the state board of accounts to determine the frequency with which the state board of accounts conducts financial examinations based on risk based criteria approved by the audit and financial reporting subcommittee of the legislative council.
- Eliminates the requirement that the state examiner must annually furnish forms and instructions to reporting officers.
- Specifies that certain examinations by the state board of accounts may (rather than must, under current law) be made without notice.
- Provides that the state board of accounts may only release examination workpapers and investigation records to certain persons.
- Provides a procedure for a public entity (other than a school corporation, a university, or a consolidated city) that has an internal control officer and an internal control department to have examinations performed by a certified public accountant instead of the state board of accounts.
- Adds provisions for allowing a public entity to have an examination: (1) conducted outside the time frame provided for by statute or state board of accounts guidelines, due to federal requirements, continuing disclosure requirements, or as a condition of a public bond issuance; or (2) conducted in accordance with generally accepted accounting principles.
- Provides that the results of an examination of the state board of accounts are confidential until approved and released for publication by the state examiner. Permits disclosure under certain circumstances.
- Provides that an executive or a fiscal officer of a unit may establish a fraud hotline telephone number that the public may use to report suspected fraudulent activity concerning officers or employees of the unit. Provides that: (1) the identity of a caller to a fraud hotline; and (2) a report, transcript, audio recording, or other information obtained from a fraud hotline; are exempt from public disclosure.
- Provides that an audit of an enhanced prepaid wireless seller regarding collection and remittance of enhanced prepaid wireless charges must be conducted either: (1) jointly by

the department of state revenue and the statewide 911 board; or (2) by an independent auditor engaged by the statewide 911 board. Under current law, the audit must be conducted jointly by the department and the statewide 911 board.

Various Election Law Matters (HEA 1139, P.L. 216)

Author: Kathy Richardson, R-Noblesville

Sponsor: Greg Walker, R-Columbus

- Provides that the procedure for removing election inspectors and judges also applies to poll clerks, assistant poll clerks, and election sheriffs.
- Exempts certain statutorily protected residence addresses from the requirement to publish the address of each primary election candidate.
- Makes technical changes relating to: (1) filing statements of economic interests; (2) updating voter registration information; (3) transmitting absentee ballots; (4) appointment of absentee voter boards; (5) filling candidate vacancies; (6) transmission of voter registration applications; (7) public questions; and (8) certification of special election results.
- Updates dates and other references in the election law and removes other obsolete references.
- Repeals a provision that makes it a crime to knowingly or intentionally display campaign materials advocating the election or defeat of a candidate or the approval or defeat of a public question on a government employer's real property during regular working hours.
- Repeals a provision that would permit the use of an automatic dialing-announcing device to send messages to voters from a county election board, a county board of elections and registration, or a county voter registration office.

Civil Immunity for Volunteer Health Care Providers (HEA 1145, P.L. 161)

Author: David Frizzell, R-Indianapolis

Sponsor: Patricia Miller, R- Indianapolis

- Specifies criteria for civil immunity from liability for certain volunteer health care providers.
- Requires the Indiana professional licensing agency to establish and maintain a health care volunteer registry.
- Provides that an approval of a location where the provision of health care services in which a provider may be immune from civil liability is valid for up to two years.
- Requires a person who meets the criteria for immunity from civil liability to provide a certain records and results of laboratory and imaging based screenings and tests to the patient.
- Requires that a person that provides the location where the health care service is provided do so without compensation as a condition of immunity.
- Allows a person that provides a health care service to provide recommendations for testing.

Rental Registration and Inspection Programs (HEA 1165, P.L. 65)

Author: Ed Soliday, R-Valparaiso

Sponsor: Travis Holdman, R-Markle

IACT Comments: HEA 1165 is a follow-up legislation to last year's rental housing inspection bill. It clarifies the grandfathering provision in last year's bill.

- Exempts programs that apply only to rooming houses and hotels from provisions regulating local government rental registration or inspection programs.

Unemployment Insurance (HEA 1186, P.L. 183)

Author: Dan Leonard, R-Huntington

Sponsor: Phil Boots, R-Crawfordsville

- Provides that any part of an unemployment insurance surcharge not used to pay interest on the advances made to the state from the federal unemployment trust fund must be credited against the total amount of benefits charged to the state's unemployment insurance trust fund before determining each employer's share of those benefits.
- Removes language that requires the extra surcharge amount be credited to each employer's experience account in proportion to the amount of the surcharge the employer paid.
- Requires the department of workforce development (department) to establish an unemployment benefit overpayment not later than four years from the date of the overpayment, if the overpayment is for a reason other than an individual knowingly making a false statement or representation of a material fact, knowingly failing to disclose a material fact, or failing to report wages or the receipt of deductible income and removes language concerning certain other time frames related to overpayments.
- Repeals certain provisions concerning overpayments and establishes procedures for the department to require the employer to withhold amounts from the earnings of an individual for whom a benefit overpayment is established and to pay those amounts to the department to satisfy the overpayment, subject to certain conditions that apply to garnishments.
- Provides that an employer may not use income withholding as the basis for refusing to hire, discharging, or taking disciplinary action against an individual, and establishes civil penalties for an employer that refuses to withhold income or knowingly misrepresents an employee's income.
- Provides that an individual may contest an income withholding and request a hearing by an administrative law judge.
- Provides that an employer that is required to withhold income may collect a fee under certain circumstances.
- Requires as a condition precedent to the payment of benefits in a year immediately following a year in which benefits were paid or following a period of disqualification for failure to apply for or accept suitable work that an individual: (1) perform insured work; (2) earn remuneration in employment in at least each of eight weeks; and (3) earn remuneration at least equal to the product of the individual's weekly benefit amount multiplied by eight.
- Provides that, if an employer does not have a rule regarding attendance, an individual's unsatisfactory attendance is just cause for discharge, if good cause for the absences or

tardiness is not established. Currently, the individual must show good cause for the absences or tardiness.

- Establishes that a crime committed using the Internet or another computer network may be prosecuted in any county: (1) from which or to which access to the Internet or another computer network was made; or (2) in which a computer, computer data, computer software, or computer network used to access the Internet or another computer network is located.
- Urges the legislative council to assign to an appropriate study commission or committee during the 2015 legislative interim the task of studying fraud and benefit overpayments occurring in the unemployment insurance program in Indiana.

Political Activity on Homeowners Association Property (HEA 1236, P.L. 174)

Author: Hal Slager, R-Schererville

Sponsor: Rick Niemeyer, R-Lowell

- Provides that the statute that prohibits a homeowners association from adopting or enforcing a rule or covenant that prohibits candidates and officeholders from entering the property to conduct political activity does not apply to homeowners association property if: (1) access to the property from the outside is controlled; and (2) the common areas, including roads and sidewalks, are privately owned and maintained.

State and Local Government Matters (HEA 1264, P.L. 184)

Author: Eric Koch, R-Bedford

Sponsor: Travis Holdman, R-Markle

IACT Comments: HEA 1264 is three separate bills combined into one. First, beginning July 1, 2016, it requires the fiscal officer of a political subdivision to annually certify that certain internal controls of the local government are in place and that personnel have received the required training. Personnel is defined as an officer or employee of a political subdivision whose official duties include receiving, processing, depositing, disbursing, or otherwise having access to funds that belong to the federal government, state government, a political subdivision or another governmental entity. If a State Board of Account's (SBOA) audit finds that the political subdivision has not adopted the internal controls or that personnel have not received training, the SBOA shall issue a comment in its examination report. If a subsequent audit finds that the political subdivision has not corrected the violation, the SBOA shall report it to the Department of Local Government Finance (DLGF) and the DLGF is not permitted to approve the political subdivision's budget or any supplemental appropriations if the violation is not cured within 60 days. Second, it requires municipalities to file annual reports according to GAAP/GASB standards by certain graduated deadlines. If the reports are not filed accordingly, the units would not be permitted to issue bonds. This requirement is not effective until June 30, 2017. Third, HEA 1264 reverses the conflict of interest statute for volunteer firefighters and allows them to serve on a city/town council or as the executive. If a volunteer firefighter serves, he or she is not permitted to vote on the city/town budget. Furthermore, if there is a majority of volunteers on the council, the unit's budget may not increase while the majority on council exists. The city/town must petition the county

council and ask for an increase or additional appropriation. The county council is required to hold a public hearing and may grant or deny the petition.

- Beginning July 1, 2016, requires the following: (1) The legislative body of a political subdivision to ensure appropriate training of personnel concerning the political subdivision's internal control system. (2) The fiscal officer of a political subdivision to certify annually that certain internal controls and procedures are in place and that personnel have received training in the internal controls and procedures. (3) The state board of accounts (board) to issue a comment in its examination report if internal controls and procedures are not adopted or personnel have not received training. (4) The board to report the uncorrected violations to the department of local government finance (DLGF). (5) The DLGF may not approve the political subdivision's budget or supplemental appropriations if the political subdivision fails to adopt internal controls and procedures or train personnel. (6) Certain reporting and followup related to a report of misappropriation of political subdivision funds. (7) Board action for material variances, losses, shortages, or thefts.
- Requires the board to develop or designate personnel training materials not later than November 1, 2015.
- Effective July 1, 2016, provides for restitution related to attorney general proceedings.
- Requires internal audits, internal control reviews, and reporting by the bureau of motor vehicles, the office of the secretary of family and social services, and the department of state revenue.
- Provides that certain political subdivisions may not issue bonds unless: (1) the political subdivision has filed required annual financial reports with the state board of accounts or (in the case of a school corporation) the department of education; and (2) the annual financial reports are prepared in accordance with all generally accepted accounting principles for financial accounting and reporting (GAAP) as established by the Governmental Accounting Standards Board.
- Provides that these requirements apply only as follows for school corporations: (1) After August 15, 2019, and before August 16, 2020, to a school corporation that has an average daily membership count (ADM) of greater than 25,000. (2) After August 15, 2020, to a school corporation that has an ADM of greater than 15,000.
- Provides that these requirements apply only as follows for counties and municipalities: (1) After June 30, 2017, and before July 1, 2019, to counties and municipalities with a population greater than 250,000. (2) After June 30, 2019, and before July 1, 2020, to a county with a population greater than 175,000 and to a municipality with a population greater than 100,000. (3) After June 30, 2020, to a county with a population greater than 100,000 and to a municipality with a population greater than 75,000.
- Provides that the state examiner may waive the requirement that the annual financial report comply with generally accepted accounting principles.
- Allows the executive or member of the fiscal body of a city, town, or township (unit) to serve as a volunteer firefighter for a volunteer fire department or a fire department that provides fire protection services to the unit.
- Requires a fiscal body member of a unit who is also a volunteer firefighter for a fire department providing fire protection services to the unit to abstain from voting on the unit's budget and tax levies.

- Provides that if at least a majority of the members of the unit abstain from voting on the budget, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.
- Provides that the executive of the unit may petition the county fiscal body for an increase in the budget or for additional appropriations.
- Prohibits a relative of: (1) an active county police officer; or (2) the sheriff; from serving as a member of the sheriff's merit board.

Condominium Associations and Homeowners Associations (HEA 1286, P.L. 141)

Author: Woody Burton, R-Greenwood

Sponsor: Jim Buck, R-Kokomo

- Requires the seller of a property that is subject to a homeowners association to make certain disclosures to the purchaser.
- Requires that a condominium declaration contain provisions allowing the co-owners to amend the declaration.
- Provides that the percentage of the votes required to amend a condominium's bylaws may not exceed 75%.
- Requires that the minutes of a condominium board's meetings be made available to a co-owner of the condominium for inspection upon request.
- Makes a provision under which a condominium's common areas can be conveyed or encumbered only with the votes of at least 95% of the condominium unit apply to all condominiums, not merely to one condominium located on a certain lake in a certain township.
- Establishes a procedure for the resolution of grievances involving a condominium through negotiation, mediation, or arbitration, and requires that an attempt be made to resolve a claim through this procedure before legal proceedings can begin.
- Requires the inclusion of grievance resolution provisions in the condominium instruments of a condominium.
- Requires a homeowners association or a member of the board to retain for at least two years after receipt, and during that period to make available to a member of the homeowners association at the member's request, any written or electronic communication received by the homeowners association or board member that relates to a financial transaction of the homeowners association and that is not otherwise excepted from disclosure under law.
- Requires that the minutes of a homeowners association board's meetings be made available to a member of the homeowners association upon request.
- Provides that if a homeowners association initiates communication with any member about another member's lot, the association must give a copy of the communication to the member whose lot is the subject of the communication.
- Requires that the governing documents of a homeowners association contain provisions allowing the homeowners to amend the governing documents.
- Provides that the percentage of the votes required to amend the governing documents may not exceed 75%.
- Provides that certain requirements must be met in order for a proxy to be used at a homeowners association meeting.

- Authorizes the attorney general to bring an action against the board of a homeowners association or a member for: (1) misappropriation of the association's funds; (2) use of the board member's position to commit fraud or a criminal act; (3) the illegal exercise of a proxy; or (4) a violation concerning the association budget or the availability of records to members.
- Authorizes the court to impose a civil penalty of no more than \$500 in certain cases.
- Establishes a procedure for the resolution of grievances involving a homeowners association through negotiation, mediation, or arbitration, and requires that an attempt be made to resolve a claim through this procedure before legal proceedings can begin.
- Requires the inclusion of grievance resolution provisions in a homeowners association's governing documents.

Ordinances Related to Building and Fire Laws (HEA 1300, P.L. 101)

Author: Jud McMillin, R-Brookville

Sponsor: Phil Boots, R-Crawfordsville

IACT Comments: Generally, HEA 1300 codifies current administrative code regarding the adoption of fire safety and building law ordinances by requiring these ordinances to be submitted to the Fire Prevention and Building Safety Commission (commission) within 30 days of adoption. The ordinance is not effective until the commission approves the ordinance or it is approved automatically if the commission does not approve or deny the ordinance within four commission meetings. If the commission denies a submitted ordinance, it must state the reason for the denial. HEA 1300 also prohibits a local unit of government from requiring a landlord to participate in the Section 8 housing program or other similar programs.

- Specifies that an ordinance or other regulation adopted by a political subdivision that qualifies as a fire safety law or a building law: (1) must be submitted to the fire prevention and building safety commission (commission) for review within 30 days of adoption by the political subdivision; and (2) is not effective until the ordinance or regulation: (A) is approved by the commission; or (B) is approved automatically if the commission does not approve or deny the ordinance or regulation within four commission meetings.
- Requires the commission to specify the basis for the commission's denial of a local ordinance or regulation.
- Provides that a state agency or political subdivision may not require a person or entity to obtain or maintain, or both, a license to install or maintain a low voltage thermostat of 50 volts or less.
- Prohibits a county, municipality, or township from adopting an ordinance that requires or would have the effect of requiring a landlord to participate in: (1) a Section 8 program of the federal Housing Act of 1937; or (2) a similar program concerning housing.

Alcoholic Beverage Issues (HEA 1311, P.L. 144)

Author: Ed Clere, R-Jeffersonville

Sponsor: Ron Alting, R-Lafayette

- Requires brewers that are permitted to sell beer by the glass to make food available for consumption on the brewery premises. (Current law requires brewers that are permitted to

sell beer by the glass to furnish the minimum food requirements as prescribed by the alcohol and tobacco commission (commission)).

- Provides that the holder of a farm winery permit or a small brewer's permit that provides only wine or beer by the glass at a festival, fair, or other temporary location and does not provide food: (1) is exempt from the sanitation requirements governing food establishments; and (2) may not be subject to local government licensure, registration, or certification.
- Allows a small brewer, with the approval of the commission, to participate in a trade show or an exposition for not more than 45 days in a calendar year.
- Allows a small brewer to store or condition beer in a building separate from the brewery that is owned or leased by the brewer.
- Provides that to qualify for an artisan distiller's permit, a person must hold at least a majority ownership interest (instead of 100% ownership interest) in the entity that holds a farm winery, brewer's, or distiller's permit.
- Provides that a township or county (in addition to a city or town) may not regulate a liquor retailer's business or affect a person's ability to hold a liquor retailer's permit.
- Repeals a provision requiring the clerk of a city or town to certify and mail to the commission an ordinance regulating a liquor retailer in violation of the law.

Removal of Public Officers (HEA 1335, P.L. 57)

Author: Steve Stemler, R-Jeffersonville

Sponsor: Ron Grooms, R-Jeffersonville

IACT Comments: This bill is a response to a local situation where a school board member was found guilty of shoplifting but refused to resign from the board. The people involved realized that the law did not allow for an impeachment process for school board members. Current law only applies to state, county, township, city or town officials. Therefore, this bill passed to amend the law to include any public officer elected or appointed of the state or a political subdivision.

- Specifies that a "public officer", for purposes of the law concerning removal of public officers, includes an individual who holds an elected office or an appointed office of the state or a political subdivision.
- Current law includes state, county, township, city, or town officials.

Public Officials, Liens and Restricted Addresses (HEA 1371, P.L. 191)

Author: Kathy Richardson, R-Noblesville

Sponsor: Brent Steele, R-Bedford

IACT Comments: HEA 1371 is legislation that IACT worked to tweak because the original language was troublesome. The bill is aimed to address the problem with disgruntled individuals filing common law liens on property owned by official, particularly, judges. Under the provisions of the new law, a common law lien filed against an official would automatically expire within 30 days if suit is not brought. The bill also addresses protection of personal data for certain individuals.

- Provides that, for purposes of the law concerning common law liens, a public official includes former officeholders. Creates a definition for "public employee."
- Provides if a person notifies the county recorder that the person is a public official or public employee, a common law lien that is recorded on the person's property is automatically void after 30 days if the lienholder has not commenced suit on the lien. Under current law, a person must file an affidavit of service of notice with the county recorder in order to release the lien.
- Prohibits a person from slandering the title to land by use of the law concerning common law liens.
- Provides that certain judicial officers, law enforcement officers, victims of domestic violence, and certain public officials who want to restrict access to their home addresses by means of a public property data base web site must submit a written request to the appropriate county, municipality, or township.
- Requires a county, municipality, or township that operates a public property data base web site to establish a process to prevent a member of the general public from gaining access to these home addresses by means of the public property data base web site.
- Requires a person who requests a circuit court clerk to send an additional mailing by registered or certified mail to provide: (1) an addressed envelope with postage prepaid; (2) the United States Postal Service forms for registered or certified mail; and (3) the United States Postal Service fee for service by registered or certified mail.
- Provides that any fees collected by the circuit court clerk for preparing a transcript or copy of a record are deposited in the clerk's records perpetuation fund instead of the county general fund.

Regional Cities (HEA 1403, P.L. 178)

Author: Jerry Torr, R-Carmel

Sponsor: Ed Charbonneau, R-Valparaiso

IACT Comments: This bill is the Governor's Regional Cities Initiative promoted by the Indiana Economic Development Corporation. One of the positive effects of this initiative has been the recognition that quality of life and place-making play a vital role in creating a robust economic development strategy. Young people move where they want to live before they decide what they want to do, and companies follow the talent. Creating quality places is key to attracting and retaining a talented workforce! Learn more about the background of this initiative and how to apply for a grant at: www.indianaregionalcities.com.

- Establishes the Indiana regional city fund (fund) to provide grants and loans to regional development authorities.
- Provides that the Indiana economic development corporation administers the fund.
- Broadens the definition of "project" under the regional development authority statute to include any project that enhances a region with the goal of attracting people or business.
- Specifies that the board of the Indiana economic development corporation (board) may not approve an application for a grant unless: (1) the budget committee has reviewed the application; (2) the board finds that approving the application will have an overall positive return on investment for the state; and (3) the application has received a positive recommendation from the strategic review committee.

- Provides that when the board awards a grant or makes a loan from the fund, the Indiana finance authority, upon request of the board, may determine that part of the grant or loan shall be made from the environmental remediation revolving loan fund if: (1) sufficient money has been transferred from the excess liability fund to the environmental remediation revolving loan fund; (2) the application requests funds for the elimination or mitigation of a release of petroleum from an underground storage tank; (3) the project is ineligible for assistance from the excess liability fund; and (4) the project meets applicable eligibility requirements established by the Indiana finance authority for assistance from the environmental remediation revolving loan fund.
- Provides that third class cities and towns may become members of a regional development authority.
- Changes the rules governing the membership of a board of a regional development authority.
- Requires a regional development authority to report various types of information to the Indiana economic development corporation.
- Replaces mandatory contributions to a regional development authority by a member county or municipality as a condition of membership with contributions for the support of specific projects that have been agreed to by some or all of the member counties and municipalities.

Auto-Injectable Epinephrine (HEA 1454, P.L. 59)

Author: Sean Eberhart, R-Shelbyville

Sponsor: Patricia Miller, R-Indianapolis

- Allows a health care provider with prescriptive authority to prescribe auto-injectable epinephrine to a business, association, or governmental entity (entity) or an entity's branch office.
- Sets requirements for certain individuals employed by an entity to fill, store, and administer auto-injectable epinephrine.
- Provides civil immunity for: (1) a certain entity's employees in the administration of auto-injectable epinephrine; and (2) health care providers in the prescribing of auto-injectable epinephrine and in the training of employees in the administration of auto-injectable epinephrine.

Wage Payment and Wage Assignment (HEA 1469, P.L. 241)

Author: Dave Ober, R-Albion

Sponsor: Phil Boots, R-Crawfordsville

- Provides that an employer who fails to make timely payment of wages or withholds wages shall pay the wages due, a reasonable fee for the plaintiff's attorney, and court costs.
- Provides that if a court finds that the failure to pay the employee was not in good faith, the court shall order that the employee be paid an amount equal to two times the amount of wages due the employee as liquidated damages.
- Provides that an employee may assign wages for: (1) the purchase, rental, or use of uniforms or equipment necessary to fulfill the duties of employment, provided that the total amount of wages assigned may not exceed the lesser of: (A) \$2,500 per year; or (B) 5% of

the employee's weekly disposable earnings; (2) reimbursement for education or employee skills training, unless the education or employee skills training were provided through an economic development incentive from a federal, state, or local program; (3) an advance for payroll or vacation pay; and (4) merchandise, goods, or food offered by the employer, for the employee's benefit, use, or consumption, at the written request of the employee.

Various Local Government Issues (HEA 1495, P.L. 194)

Author: Greg Beumer, R-Modoc

Sponsor: Jeff Raatz, R-Centerville

- Provides the following with regard to a permit required to move or transfer title to a mobile home: (1) The permit must be issued by the county treasurer not later than two business days after a completed permit application is received. (2) The permit expires 90 days after the date the permit is issued.
- Requires the owner of a mobile home to obtain a new permit if the owner wishes to move, or transfer title to, the mobile home after expiration of the original permit.
- Requires the county auditor, rather than the county treasurer, to give notice of tax rates in the county.
- Provides that 48 hours notice of a special meeting of the county executive must be given. Under current law, six days notice must be given of a special meeting of the county executive.

Performance Bonds of Land Developers (HEA 1508, P.L. 105)

Author: Heath VanNatter, R-Kokomo

Sponsor: Travis Holdman, R-Markle

IACT Comments: HEA 1508 is a bill that will likely require cities and towns to amend their existing ordinances regarding land developers. It prohibits a city or town from requiring a land developer of Class 1 or Class 2 structure to obtain a maintenance bond that has an effective period greater than three years or obtain a performance bond or other surety before the date the land developer records an approved secondary plat. However, a city or town may require the land developer to obtain a performance bond or other surety before an approved secondary plat is recorded if the area underdevelopment is within the existing right-of-way or is related to erosion control. HEA 1508 allows cities and towns to require the land developer, as a condition precedent to recording the secondary plat, to obtain a performance bond or other surety for incomplete or unfinished streets, sanitary piping, storm water piping systems, water mains, sidewalks and ornamental landscaping in common areas and erosion control. Furthermore, HEA 1508 states that an ordinance that requires a land developer to obtain a performance bond or other surety must include a provision for the release of the bond or other surety upon completion to the satisfaction of the local unit of the subject matter upon which the bond or other surety was obtained and the partial release of the bond or other surety on an annual basis in accordance with a partial release schedule.

- Prohibits a unit of local government from adopting or enforcing an ordinance, rule, or other policy requiring a land developer of Class 1 or Class 2 structures to do the following: (1) With certain exceptions, obtain a performance bond or other surety before an approved

secondary subdivision plat is recorded. (2) Obtain a maintenance bond that has an effective period of greater than three years.

- Authorizes a unit of local government to require the land developer, as a condition precedent to recording the secondary plat, to obtain a performance bond or other surety for incomplete or unfinished streets, sanitary piping, storm water piping systems, water mains, sidewalks and ornamental landscaping in common areas, and erosion control.
- Provides, that an ordinance, rule, or policy requiring a land developer to obtain a performance bond or other surety must include a provision for: (1) the release of the bond or other surety upon completion to the satisfaction of the local unit of the subject matter upon which the bond or other surety was obtained; and (2) the partial release of the bond or other surety on an annual basis in accordance with a partial release schedule.

Various Alcoholic Beverage Matters (HEA 1542, P.L. 196)

Author: Tom Dermody, R-LaPorte

Sponsor: Ron Alting, R- Lafayette

- Establishes certain procedures and requirements for applications for renewal of alcoholic beverage permits.
- Allows the alcohol and tobacco commission (commission) to process a permit application while the location of the permit premises is pending and upon a showing of need by the applicant.
- Requires the commission to issue a temporary beer permit or temporary wine permit if: (1) the permit application is submitted not later than five business days before the event; and (2) the applicant meets all the requirements for a permit.
- Allows, if authorized by the chairman or chairman's designee and at the commission's discretion, the commission to issue a temporary beer permit or temporary wine permit to an applicant that: (1) submits an application later than five business days before the event; and (2) meets all the requirements for the permit.
- Requires the holder of a supplemental caterer's permit to give the commission 48 hours notice of a catered event instead of 15 days notice of a catered event.
- Provides that provisions that prohibit the commission from issuing, renewing, or transferring permits to applicants that are delinquent in paying certain taxes does not apply to employee's permits.
- Allows a senior residence facility to, without an alcoholic beverage permit, possess and give or furnish an alcoholic beverage, by the bottle or by the glass, on the premises of the senior residence facility campus for consumption on the premises to: (1) a resident of the senior residence facility who is not a minor and who resides on the premises of the senior residence facility; or (2) a guest or family member of a resident who is not a minor and who is visiting the resident.
- Adds certain restaurants, hotels, catering halls, and locations for which the use of a supplemental catering permit has been approved to the types of premises that are excepted from certain provisions regarding the issuance of alcoholic beverage permits near a school or church.
- Provides that, if the commission receives a written statement from the authorized representative of a church or school and determines the church or school does not object to the issuance of an alcoholic beverage permit for certain premises, the commission may not

consider subsequent objections from a church or school to the issuance of the same permit type at the same premises location.

- Changes, for three-way permits for certain restaurants and seasonal permits, requirements that the commission post notices in newspapers to posting notices on the commission's Internet web site.
- Allows for the posting of printed notices, instead of publication of notice in a newspaper, if: (1) the commission is unable to procure advertising of the notice in a newspaper at the rate set forth in law; or (2) the newspaper refuses to publish the notice.
- Requires the publication of a notice of a pending investigation be at least five days instead of 15 days before the investigation.
- Provides that the holder of a club permit may designate one day each calendar week as a "guest day". Current law provides that the holder of a club permit may designate three or fewer days in a month or nine or fewer consecutive days in a quarter as "guest days."
- Allows certain employees who are convicted of operating while intoxicated to retain employee's permits if the employees submit information to the commission verifying that the employees have completed appropriate substance abuse treatment or education programs. Current law requires the commission to revoke an employee's permit of an employee who is convicted of operating while intoxicated.
- Establishes requirements and restrictions for certain drug stores or grocery stores and restaurants that are located in the same building.
- Allows the department of natural resources to permit, in the terms of a lease or contract, the retail sale of alcoholic beverages for consumption on the licensed premises of a marina located within the Newton-Stewart State Recreational Area and within Orange County if the lessee or concessionaire applies for and secures the necessary permits.
- Voids part of a commission administrative rule concerning requirements for the issuance of permits located in municipal riverfront development projects.
- Exempts hotels other than the part of a hotel that is a room in a restaurant in which a bar is located over which alcoholic beverages are sold or dispensed by the drink from certain provisions prohibiting minors in public places where alcoholic beverages are sold or furnished. The current law exempts that part of a hotel that is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
- Removes provisions that: (1) increase the penalty for an alcoholic beverage retailer or dealer to accept a gift from an alcoholic beverage manufacturer or certain other permittees from a Class A misdemeanor to a Level 6 felony if the value of a gift is at least \$750; (2) restrict selling alcoholic beverages on Christmas; and (3) allow the holder of a club permit to designate 24 guest days in each calendar year if the club furnishes alcoholic beverages on not more than two days each week.
- Removes references to certain repealed provisions in the definition of "conviction for operating while intoxicated".
- Repeals language that restricts Sunday sales of alcohol in clubs.

[Service of Process \(SEA 2, P.L. 41\)](#)

Author: Brent Steele, R-Bedford

Sponsor: Peggy Mayfield, R-Bloomington

- Specifies that "registered or certified mail" includes any means of delivery that provides a return receipt.
- Provides that the cost of service to not more than two parties may be paid from court fees.
- Requires a person who requests a circuit court clerk to send an additional mailing by registered or certified mail to provide: (1) an addressed envelope with postage prepaid; (2) the United States Postal Service or other forms for registered or certified mail; and (3) the United States Postal Service fee or other fee for service by registered or certified mail.

[Abandoned Mobile Homes \(SEA 7, P.L. 71\)](#)

Author: Brent Steele, R-Bedford

Sponsor: Casey Cox, R-Fort Wayne

- Makes changes to the procedure in current law for the sale or salvage of an abandoned mobile home located on private property, other than mobile homes located in a mobile home community.
- Provides, except in the case of an abandoned mobile home offered for sale at auction, that the bureau of motor vehicles may not transfer the title to a mobile home or change the names on the title to a mobile home unless the owner holds a valid permit issued by the county treasurer.
- Provides that a permit to move, or transfer title to, a mobile home expires 90 days after the permit is issued.

[Coroner and Conflict of Interest \(SEA 10, P.L. 42\)](#)

Author: Brent Steele, R-Bedford

Sponsor: Casey Cox, R-Fort Wayne

- Requires a coroner to obtain the services of the coroner of another county if the coroner believes that he or she has a conflict of interest.
- Provides that the coroner of the other county shall be reimbursed for all costs incurred in the case by the county in which the conflict of interest exists.

[Worker's Compensation \(SEA 33, P.L. 225\)](#)

Author: Phil Boots, R- Crawfordsville

Sponsor: Matt Lehman, R-Berne

- Allows an officer of a corporation who is also an owner of any interest in the corporation to elect not to be an employee of the corporation under worker's compensation.
- Urges the legislative council to assign to an interim study committee for the 2015 interim period the topic of worker's compensation reimbursement to all providers of worker's compensation related claims outside of hospitals, including the study of a common baseline

of the providers' Medicare reimbursement rate plus a reimbursement above the Medicare level, seeking fair reimbursement. Removes outdated language.

Antidiscrimination Safeguards (SEA 50, P.L. 4)

Author: Michael Young, R-Indianapolis

Sponsor: David Frizzell, R-Indianapolis

- Indicates that the law related to adjudicating a claim or defense that a state or local law, ordinance, or other action substantially burdens the exercise of religion of a person: (1) does not authorize a provider to refuse to offer or provide services, facilities, use of public accommodations, goods, employment, or housing to any member or members of the general public; (2) does not establish a defense to a civil action or criminal prosecution for refusal by a provider to offer or provide services, facilities, use of public accommodations, goods, employment, or housing to any member or members of the general public; and (3) does not negate any rights available under the Constitution of the State of Indiana. Defines the term provider.

Religious Freedom Restoration (SEA 101, P.L. 3)

Author: Dennis Kruse, R-Auburn

Sponsor: Tim Wesco, R-Elkhart

- Prohibits a governmental entity from substantially burdening a person's exercise of religion, even if the burden results from a rule of general applicability, unless the governmental entity can demonstrate that the burden: (1) is in furtherance of a compelling governmental interest; and (2) is the least restrictive means of furthering the compelling governmental interest.
- Provides a procedure for remedying a violation. Specifies that the religious freedom law applies to the implementation or application of a law regardless of whether the state or any other governmental entity or official is a party to a proceeding implementing or applying the law.
- Prohibits an applicant, employee, or former employee from pursuing certain causes of action against a private employer.

Agricultural Matters (SEA 249, P.L. 202)

Author: Jean Leising, R-Oldenburg

Sponsor: Don Lehe, R-Brookston

IACT Comments: This was the “CAFO” bill of session, also known as “Confined Animal Feeding Operations.” A few Indiana counties have passed moratoriums on new construction of animal buildings. This bill was initially introduced to prohibit all local regulation of animal buildings but was amended during session instead to require a study of local ordinances. During the second half of session, several other Farm Bureau and miscellaneous agricultural issues were also added to the bill.

- Authorizes the department of agriculture (department) to establish a farm commodities and market news service as a pilot program for the 2015-2017 biennium.

- Authorizes the department to expand the program beginning July 1, 2017.
- Provides that a program established by the department must be funded from the livestock industry promotion and development fund.
- Allows the feeding of garbage to swine if the garbage is treated to kill disease organisms in accordance with rules adopted by the Indiana Board of Animal Health (board) and the processing occurs at a facility operated by a person holding a valid license issued by the board.
- Requires the Purdue Cooperative Extension Service and the Purdue University College of Agriculture to study the impact of local land use ordinances on the construction of buildings or other structures used in the breeding, feeding, and housing of livestock.
- Makes certain changes to the exemptions to the food establishment requirements concerning eggs and poultry.

Electricity Suppliers' Service Areas (SEA 309, P.L. 31)

Author: Mike Crider, R-Greenfield

Sponsor: Eric Koch, R-Bedford

IACT Comments: There are 72 cities and towns across Indiana that own and operate their own electric utility and serve a total of 7% of Hoosiers. The remaining 93% of Hoosiers are served by the Rural Electric Cooperatives and investor-owned utilities. When a city or town that owns an electric utility annexes property, current state law allows the city or town to extend their services (e.g. police/fire protection, trash pickup, electricity) to the newly annexed property. If a city or town extends electricity and takes over the customers in the newly annexed area, it is required to reimburse the incumbent electric provider for the loss of customers. SEA 309 freezes electric service territories even when the city or town annexes. As a result, the only way a city or town can extend electric service to new customers is by mutual agreement with the incumbent electric supplier.

- Provides that after May 19, 2015, a municipality that: (1) owns and operates an electric utility; and (2) annexes an area beyond the assigned service area of its municipally owned electric utility; may not petition the utility regulatory commission (IURC) to change the assigned service area of the municipally owned electric utility to include the annexed area according to certain procedures permitted under current law.
- Provides that the prohibition does not affect a petition that is: (1) filed with the IURC before May 20, 2015, according to the procedures permitted under current law; and (2) pending before the commission on May 20, 2015.

Annexation (SEA 330, P.L. 228)

Author: Phil Boots, R-Crawfordsville

Sponsor: Sharon Negele, R-Attica

IACT Comments: There has been a push for annexation reform ongoing at the Statehouse for the past few sessions. Last summer and fall the Interim Study Committee on Government took up the topic and heard nine hours of testimony, mostly from remonstrators dissatisfied by the process. Although only 5.7% of annexations that occurred between 2009 and 2014 had a remonstrance filed, the issue was framed as a “property rights” concern and gained steam. Before session began,

it was clear there was a desire among the legislature to pass an annexation bill. SEA 330 makes annexation more difficult for cities and towns. The Economic Development Protection Provision IACT supported, unfortunately, became a negotiating point in the final hours of session. The provision now contains damaging language, but comes with a delayed effective date of July 1, 2017, so there is time to work on this provision in the 2016 session. Tell your legislators how important the Economic Development Protection Provision is to the economic vitality of our communities, and plan to attend the [July 22nd Workshop on Annexation](#) in Indianapolis to learn more.

- Provides the following for annexations for which an annexation ordinance is adopted after June 30, 2015: (1) Remonstrance petitions are filed with the county auditor instead of a court. (2) An annexation ordinance does not proceed if at least 65% of owners of nontax exempt land or the owners of 80% of the assessed value of nontax exempt land in the annexation territory sign a remonstrance. (3) Provides that an annexation may proceed to a hearing if a petition for remonstrance is signed by at least 51% of the owners of land (excluding tax-exempt land) or the owners of 60% of the assessed value land in the territory (excluding tax-exempt land). (4) Eliminates a separate remonstrance for property that consists of not more than 100 parcels and is 80% contiguous to a municipality. (5) Requires a municipality to conduct an outreach program to inform citizens about a proposed annexation. (6) Requires a municipality to provide locations where remonstrance petitions may be signed. (7) Allows remonstrators that prevail at a hearing on a remonstrance to recover reasonable attorney's fees from the municipality that are incurred in litigating an annexation, including appeal costs, not to exceed \$37,500. (8) Specifies the circumstances under which a public highway or rights-of-way of a public highway may be annexed. (9) Provides for municipal reimbursements to counties related to infrastructure owned by the county. (10) Provides that remonstrance waivers executed after June 30, 2015, expire not later than 15 years after the date the waiver was executed. Requires a municipality with respect to a deed recorded after June 30, 2015, to provide written notice to the property owner that a waiver of the right of remonstrance exists with respect to the property. (11) Requires a municipality to exempt property from property tax liability for municipal purposes while the property is assessed as agricultural land under the real property assessment rules and guidelines of the department of local government finance. (12) Requires a municipality to give notice of an annexation hearing to a landowner whose agricultural property is exempted from property taxes for municipal purposes. (13) Specifies the requirements for completing a remonstrance petition.
- Provides the following with regard to the elements that landowners must prove in a remonstrance hearing for the court to order an annexation not to take place: (A) Provides that a court may not consider personal finances or business finances of an owner or resident of land in determining whether the annexation will have a significant financial impact on the residents or owners of land. (B) Provides that proof of opposition to the annexation may be shown by the remonstrance petitions minus any written revocations of remonstrances that are filed with the court.
- Provides for an annexation for which an ordinance is adopted after December 31, 2016, that an annexation of land connecting an economic development project to a municipality may proceed to a remonstrance hearing even if the signature threshold is met for voiding the annexation ordinance.

- Removes an annexation procedure applicable only to a municipality in St. Joseph County.
- Allows only the owners of nontax exempt property to file a landowner initiated annexation petition that is filed after June 30, 2015.
- Requires a municipality to obtain the consent of the county executive before annexing property owned by a county redevelopment commission.
- Provides that fiscal plans prepared after June 30, 2015: (1) must be similar to plans required for local government mergers and reorganizations; and (2) may not be amended after a remonstrance petition is filed, unless the amendment is consented to by at least 65% of the remonstrators.
- Requires a municipality to notify video service providers of the addition of property to the municipality as a result of an annexation.
- Urges the legislative council to assign to a study committee the topic of the effect of SEA 330 on economic development projects.

Library Board Appointments (SEA 336, P.L. 114)

Author: Mark Messmer, R-Jasper

Sponsor: Bob Cherry, R-Greenfield

- Provides that if a library district located in one township and part of a municipality expands to include two additional townships that are located only within the municipality, the library board members shall continue to be appointed as they were before the expansion (by the municipality and by the township only partially located within the municipality).

Various Probate and Trust Matters (SEA 355, P.L. 81)

Author: Brent Steele, R-Bedford

Sponsor: Eric Koch, R-Bedford

- Provides that a trust may incorporate by reference a document that exists at the time the trust is executed.
- Specifies that funeral expenses and expenses of a tombstone are expenses of administration.
- Expands the definition of "person" in certain cases under the probate code to include governmental entities and other legal entities.
- Provides that a nonprobate transfer to a testamentary trust: (1) is valid upon the will being admitted to probate; and (2) is not subject to claims against the probate estate.
- Allows a governmental entity or business entity (in addition to an individual) to be a transfer on death beneficiary of an automobile or a watercraft.
- Allows a governmental entity or business entity (in addition to an individual) to be appointed a health care representative.
- Provides that a power of attorney may delegate the authority of a parent or guardian with respect to the health care of a minor or protected person.
- Provides that an attorney in fact is entitled to judicial review and settlement of an account.
- Provides that absent fraud, misrepresentation, inadequate disclosure, or failure to provide proper notice, an attorney in fact is discharged from all liability as to the transactions in the accounting if proper notice is provided of the court's approval of the accounting.

Public Official Surety Bonds (SEA 393, P.L. 230)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: Randy Truitt, R-West Lafayette

IACT Comments: The Attorney General’s Public Integrity Commission promoted this bill that clarifies the amount required for public official surety bonds, as well as expands who must be covered by such bonds. The AG’s office ran into situations where some units thought they had purchased bonds to cover a specific amount per year, but when the AG went to call the bonds, the amounts were per “term” versus per “year.” This bill is aimed at solving that problem.

- Requires that copies of political subdivision personnel bonds must be filed with the county auditor or fiscal officer of the political subdivision and with the state board of accounts.
- Requires the state board of accounts to maintain a database of received bonds.
- Requires certain public employees and contractors that have access to public funds to file a bond.
- Specifies guidelines for fixing the amount of certain bonds.
- Provides for purchase of a blanket bond that includes aggregate coverage.

Reporting of Government Malfeasance (SEA 394, P.L. 52)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: Jud McMillin, R-Brookville

IACT Comments: The Attorney General’s Public Integrity Commission promoted this bill to clarify whistleblower protections apply to local government officials and employees.

- Provides for confidentiality and relief for an individual who reports certain suspected violations of law by local public officers.

Vacant and Abandoned Housing (SEA 415, P.L. 247)

Author: Jim Merritt, R-Indianapolis

Sponsor: Ed Clere, R-New Albany

IACT Comments: IACT spent much time in discussion and review of SB 415. The bill started out as clean-up language for last year’s HEA 422. Last year’s bill contained language which allowed properties to be certified as abandoned by a court and then move to an abandoned properties sale (similar to a tax sale, but without a redemption period). Because of an error in the wording of the bill, the new tool for abandoned property sales passed in HEA 422 was useless to most municipalities until clean-up language could be passed. The clean-up language in SEA 415 now allows a court or a hearing authority to certify a property as abandoned. In addition, there are many other provisions which should prove to be helpful in cleaning up abandoned housing in cities and towns.

- Provides that a county, city, or town fiscal body may adopt an ordinance to establish a deduction period for rehabilitated property that has also been determined to be abandoned or vacant.

- Specifies that there must be delinquent property taxes or special assessments on real property before it may be sold by the county treasurer as abandoned or vacant property.
- Provides that an order of a local building standards hearing authority that real property is abandoned or vacant and nonpayment of the associated penalty permits the executive of the county, city, or town to certify to the county auditor that the real property should be sold as abandoned or vacant property.
- Specifies that the county treasurer and not the county auditor is to auction abandoned or vacant property.
- Eliminates the concept of redemption after sale regarding abandoned or vacant property to be sold by the county treasurer.
- Provides that the county, city, or town executive that certifies a property as abandoned or vacant has an option to take ownership of the property if the minimum bid is not received.
- Prohibits owners of property that was found to be vacant or abandoned in any county, from buying property at a tax sale.
- Provides for the following: (1) Removal of properties not suitable for tax sale from the tax sale list. (2) A redemption period of 120 days from the date of the tax sale from which the property was removed. (3) Notice of removal of property from the tax sale list.
- Eliminates a provision that permitted the county auditor to be the only signer of a sales disclosure form in the case of a tax sale because the sale disclosure form is not required for a tax sale.
- Prohibits business associations that have not registered with the secretary of state from participating in the tax sale.
- Specifies that any form of registration by a business entity with the secretary of state allows the business entity to participate in a tax sale.
- Separates out several provisions concerning abandoned and vacant property sales from delinquent tax sales and makes related changes.
- Moves certain provisions concerning determinations of abandonment from the property law to the local government law.
- Requires that notifications of unsafe building law orders state that a property may be determined to be abandoned during administrative proceedings.
- Provides for hearings to review civil penalties imposed at enforcement proceedings.
- Provides for civil penalties if a property owner does not comply with a repair order when a hearing was not requested.
- Provides for administrative approval of costs of emergency action.
- Provides for appeals of a hearing authority's determination of abandonment and in approving costs for emergency actions.
- Provides that the costs of emergency actions may be collected in the same way other unsafe building law costs are collected.
- Establishes additional provisions for receiverships of abandoned properties.
- Requires recording of civil penalty orders issued by an enforcement authority.
- Provides that procedures that apply to judicial determination of abandonment apply to determinations of abandonment in administrative proceedings.
- Provides that a hearing authority may use the same standards that are used by a court in finding that real property is abandoned or vacant for purposes of selling the real property at an abandoned and vacant property sale.

- Permits a county, city, or town executive to use the courts instead of a hearing authority for the determination that a property is abandoned or vacant.
- Adds a requirement to issue a judgment when property is found to be abandoned.
- Extends the mortgage foreclosure counseling and education court fee until July 1, 2017.
- Provides that certain actions of political subdivisions relating to mortgage foreclosure are preempted by Indiana law.
- Allows the disposing agent of any county to sell or transfer certain properties for no compensation or a nominal fee to a nonprofit corporation created for agricultural, educational, or recreational purposes. Current law provides the authority to only Grant County.

Lake County Zoning (SEA 429, P.L. 10)

Author: Rick Niemeyer, R-Lowell

Sponsor: Hal Slager, R- Schererville

- Allows Lake County to adopt the area planning law.
- Makes a provision regarding legislative body approval of special exceptions, special uses, and use variances apply to a city or town in Lake County (instead of Lake County).

Notice of Tax Sales (SEA 450, P.L. 118)

Author: Rick Niemeyer, R-Lowell

Sponsor: Hal Slager, R- Schererville

- Provides that if properties are not sold at an initial tax sale, the county auditor may publish an abridged tax sale notice for any subsequent tax sales.
- The abridged tax sale notice may omit the descriptions of specific properties eligible for sale if the abridged notice includes a statement that the descriptions are available on the county's Internet web site and in printed form from the county auditor upon request.

Human Services and Health Matters (SEA 465, P.L. 210)

Author: Patricia Miller, R-Indianapolis

Sponsor: Ed Clere, R-New Albany

- Amends the definition of "autism."
- Makes multiple changes to the administration of the office of the secretary of family and social services.
- Moves the authority to operate a disability determination bureau from the division of disability and rehabilitative services (division) to the office of the secretary.
- Expires the health facility preadmission screening assessment process statute June 30, 2016.
- Requires the division of aging to: (1) meet with stakeholders to collaborate on changes in the health facility preadmission screening assessment process; and (2) submit a written report to the general assembly before November 1, 2015, concerning any recommendations for statutory changes to the process.

- Repeals the law that requires the division to operate a disability determination bureau that adjudicates whether a state employee is entitled to long term disability benefits.
- Repeals the step ahead comprehensive early childhood grant program.
- Repeals Medicaid eligibility parameters concerning patients in an institution for the mentally diseased.
- Removes language that prohibited certain Medicaid copayment for services.
- Makes changes in the manner that voter registration applications and declinations can be transferred.
- Removes language that provided an incentive payment to the offices of prosecuting attorneys for the investigation or prosecution of food stamp fraud.
- Repeals language concerning public records reports of Medicaid recipients.
- Makes changes to the community and home options to institutional care for the elderly and disabled board (board).
- Provides for four year terms on the board and staggers the terms of the members.
- Repeals the law that requires the director of the division of family resources to appoint the director of each county office of family resources.
- Provides that the director of the division of family resources appoints the assistants with the county. Currently the appointments are made by the county director.
- Urges the legislative council to assign to an interim study committee the topic of drug testing for individuals receiving public assistance. Makes technical and conforming changes.

Various Election Matters (SEA 466, P.L. 169)

Author: Pete Miller, R-Avon

Sponsor: Kathy Richardson, R-Noblesville

- Provides that the election division, rather than the Indiana election commission, approves a uniform set of election and registration forms for use throughout Indiana.
- Provides that a person who is physically present in a precinct for a temporary purpose does not gain residency in the precinct.
- Adds language concerning where a student attending a postsecondary educational institution may register to vote.
- Permits voter conversations and communications, including the use of cellular telephones and other electronic devices, in the polls as long as loud and disruptive conversations and electioneering do not occur.
- Prohibits a voter from taking a digital image or photograph of the voter's ballot except to document and report to a precinct election officer, county election board, or the division a problem with the functioning of the voting system.
- Prohibits distributing or sharing a digital image or photograph of a voter's ballot using social media or other means.
- Permits a voter to bring a list of candidates and public questions into the polling place (including a list stored on a cellular telephone or electronic device) for the voter's use in voting provided electioneering does not occur.

- Eliminates the rule that a vote cast for a deceased candidate in a primary election is void, and provides that if a deceased candidate receives the most votes in a primary election, a candidate vacancy occurs that the candidate's party may fill.
- Provides that a state party convention may nominate candidates for presidential electors and alternate electors and elect delegates and alternate delegates to the political party's national convention. Under current law, a political party's state convention is required to perform these functions.
- Provides that if a state party convention does not perform either or both of these functions, the functions shall be done as provided in the state party's rules.
- Requires the state recount commission to conduct a recount resulting from a statewide public question.
- Provides that the statute prohibiting the use of an automatic dialing-announcing device does not apply to messages to voters from a county election board, a county board of elections and registration, or a county voter registration office.
- Requires certain information to be filed with the election division concerning judicial elections in Allen County, Monroe County, and Vanderburgh County.
- Makes other changes regarding the following: (1) Election filings with the secretary of state's office and the election division. (2) Challengers, pollbook holders, and watchers. (3) Transmitting National Voter Registration Act notices by electronic mail. (4) Voter registration applications. (5) Cancelling voter registrations. (6) Voting histories. (7) Disposition of civil penalties collected by county election boards. (8) Absentee ballot applications. (9) Submission of absentee ballot applications by electronic mail. (10) Signing absentee ballot applications by voters with disabilities. (11) The period during which a traveling absentee voter board may visit a voter at the voter's residence or place of confinement. (12) The effect of changes in census block data on precinct establishment orders. (13) Precinct size. (14) Voting and counting absentee ballots. (15) Preparing ballots in vote center counties. (16) Testing voting systems. (17) Certification of electronic poll books. (18) Use of electronic poll books for absentee voting. (19) Use of electronic poll books at vote centers. (20) Printing provisional ballots. (21) Filing statement of economic interests by individual who fills a candidate vacancy for a local or school board office. (22) Determining the end of the line of voters who are waiting to vote at the time the polls close

State Board of Accounts (SEA 489, P.L. 34)

Author: R. Michael Young, R-Speedway

Sponsor: Matt Lehman, R-Berne

- Provides that the state board of accounts has access to any periodic statement of condition filed by a depository with the treasurer of state.
- Provides that a vendor upon request shall allow the state board of accounts to access all software and records of computer services that a vendor has supplied to a political subdivision.
- Defines a vendor as a person who supplies electronic goods, software, or technological services (including computer services) to a political subdivision.

[Vacancy in Office of Clerk-Treasurer \(SEA 514, P.L. 120\)](#)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: John Price, R-Greenwood

IACT Comments: The Attorney General's Public Integrity Commission promoted this bill and worked with IACT to develop a good public policy solution to the problem of what to do when a Town Clerk-Treasurer resigns for any reason and the town is unable to fill the vacancy. This bill gives the town options to partner with another Town Clerk-Treasurer or to hire a CPA to fulfill the duties in such a situation.

- Provides that if a town legislative body is unable to fill a vacancy in the office of town clerk-treasurer, a town legislative body member may serve ex officio as the town clerk-treasurer for the remainder of the clerk-treasurer's term.
- Provides that the town legislative body member may not receive additional compensation for serving as the ex officio town clerk-treasurer.
- Provides that the duties assumed by the town legislative body member are duties of the office of town legislative body member and do not constitute a second lucrative office.
- Allows the town legislative body to enter into an interlocal agreement with another town clerk-treasurer to assist the town legislative body member in performing the clerk-treasurer's duties for the remainder of the clerk-treasurer's term.
- Provides that if an interlocal agreement cannot be reached, the town legislative body may contract with a certified public accountant to assist the town legislative body member in performing the duties of the clerk-treasurer for the remainder of the term of the clerk-treasurer.

[Tax Deeds and Conveyance Documents \(SEA 524, P.L. 236\)](#)

Author: Joe Zakas, R-Granger

Sponsor: Greg Steuerwald, R-Avon

- Provides that when a county auditor sends out certain notices for a tax sale by certified mail, the notices must be sent by certified mail, return receipt requested.
- Requires that a verified petition for a tax deed to real property acquired in a tax sale must include copies of various notices sent by the petitioner, copies of certified mail mailing receipts, copies of certified mail return receipts, returned mailing envelopes, and evidence used by the petitioner to ascertain the owner of property and any other persons with a substantial property interest of public record in the property.
- Provides that a tax deed is not prima facie evidence of the validity of a tax sale, if the petitioner for the tax deed fails to include with the petition the copies of notices, copies of mailing receipts, return receipts, returned mailing envelopes, and copies or descriptions of the evidence used to ascertain the owner and other persons having a substantial property interest of public record in the property.
- Provides that an instrument that does not comply with certain filing requirements is validly recorded, regardless of when it is recorded.
- Provides that if a county executive reasonably believes that: (1) 10 or more tracts or items of real property on the tax sale list are owned by one person or some combination of persons in an affiliated group of persons; and (2) each of the 10 or more tracts or items of real

property were acquired by the owners in a previous tax sale; the county executive may petition a court for a finding that serial tax delinquencies exist with respect to the tracts or items of real property.

- Provides that if the tracts or items of real property are all located in a city or town, the county executive may authorize the city or town to file the petition for a finding that serial tax delinquencies exist with respect to the subject properties.
- Provides that if a petitioner obtains a court order finding that serial tax delinquencies exist with respect to the subject properties: (1) the owners of the real property do not have a right of redemption with respect to the subject properties; (2) the county auditor is to remove the properties from the tax sale list; (3) not later than six months from the date of the order, the petitioner may request that the county auditor deliver a tax deed for the subject properties to the petitioner; and (4) the petitioner may dispose of the subject properties in any lawful manner.

Preservation of Public Records (SEA 528, P.L. 171)

Author: Pete Miller, R-Avon

Sponsor: Matt Lehman, R-Berne

- Changes the name of the state commission on public records to the Indiana archives and records administration (administration).
- Changes the name of the central micrographics laboratory to the state imaging and microfilm laboratory.
- Adds and changes certain terms to reflect changes in technology, materials, and processes.
- Specifies that the administration administers the law regarding preservation of public records for political subdivisions.
- Requires a county commission of public records to notify the administration within 30 days after selecting a chairman or secretary of the county commission.
- Provides that the administration may maintain damaged court record books.
- Requires a state agency to submit a recommended retention schedule to the administration (instead of to the oversight committee on public records).
- Provides that a political subdivision has the duties and responsibilities of a state agency under the law regarding preservation of public records.
- Requires the administration, with the approval of the oversight committee on public records, to advise the office of technology with respect to records management and archival principles as applicable to the purchase of electronic content and information management systems.
- Provides that a certificate of death received by a local health department or the state department of health is a public record that, upon request, must be made available for inspection and copying if certain conditions are met.
- Authorizes the state registrar to deny a request to inspect or copy a record concerning vital statistics if the state registrar has a reasonable suspicion that releasing the record may result in fraud or identity theft.

Public Notice in Newspapers (SEA 530, P.L. 122)

Author: Rod Bray, R-Martinsville

Sponsor: John Price, R-Greenwood

- Adds a provision requiring a certain average circulation to the definition of "newspaper" for purposes of the statute concerning notice publication.
- Removes a duplicative provision from the publication statute that prescribes a publication procedure if another specific publication procedure does not apply to an event.
- Removes from the publication statute two provisions that have expired.

Various Tax Sale Matters (SEA 531, P.L. 251)

Author: Randy Head, R-Logansport

Sponsor: John Price, R-Greenwood

- Makes numerous changes to the tax sale statute, including the following: (1) Provides that a purchaser of real property by an installment land contract may request notice of the tax sale list. (2) Adds an alternative provision for a county executive to transfer a tax sale property to a nonprofit entity. For purposes of these provisions, defines the "county executive" of Marion County to mean the board of commissioners (consisting of the county auditor, county treasurer, and county assessor). (3) Provides that a county treasurer may use money held on a person's behalf in the tax sale surplus fund to pay property taxes and special assessments that become due during the tax sale redemption period. (4) Provides that a court may consider a petition for a tax deed without conducting a hearing if there are not any written objections filed. (5) Provides that the amount required for redemption of property includes all taxes, assessments, interest, and penalties that are delinquent after the sale.
- Provides that a political subdivision may conduct an electronic auction of surplus real property held by the political subdivision.
- Repeals the following: (1) A provision authorizing a county to adopt an ordinance allowing a county auditor to accept a bid that is less than the minimum bid normally required by the tax sale statute. (2) A provision requiring the state board of accounts to specify a form of tax deed to use when a grantee other than a purchaser takes the tax deed. (3) Several provisions that specify what action to take if the tax deed is ineffectual to convey title to tax sale property. (4) A provision specifying how a grantee of a tax deed recovers money owed to the grantee in the context of an action to quiet title filed by the grantee. (5) An obsolete provision that allowed a county to adopt an ordinance requiring the county treasurer to waive certain penalties and interest on delinquent property taxes.

Fire Prevention and Building Safety (SEA 556, P.L. 86)

Author: Carlin Yoder, R-Middlebury

Sponsor: Randy Frye, R-Greensburg

- Changes the definition of "building law" to include a law governing sanitary conditions and sanitary facilities in elementary and secondary school buildings and on the school grounds.

- Allows the fire prevention and building safety commission to adopt temporary rules in a manner provided for the adoption of emergency rules to administer the regulation of sanitary conditions and sanitary facilities in elementary and secondary school buildings and on the school grounds.
- Allows the division of fire and building safety to designate a qualified third party inspector or inspection agency to act as the division's agent for inspections of regulated boilers and pressure vessels.
- Repeals statutes that do the following: (1) Allow the state department of health to regulate construction and remodeling of school buildings and establishes requirements for school buildings and grounds. (2) Make it a Class B misdemeanor to transfer materials that do not comply with the requirements established in subdivision (1). (3) Make it a Class B misdemeanor to recklessly violate the requirements established in subdivision (1).

Right to Hunt, Fish and Harvest Wildlife (SJR 2, P.L. 258)

Author: Brent Steele, R-Bedford

Sponsor: Sean Eberhart, R-Shelbyville

- 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.

Community & Economic Development

State Biennial Budget (HEA 1001, P.L. 213)

Author: Tim Brown, R-Crawfordsville

Sponsor: Luke Kenley, R-Noblesville

IACT Comments: The biennial budget contains many provisions that impact cities and towns. First, it increases the fee for State Board of Accounts' audits of local unit of government from \$45 per day to \$175 per day. As a protection, the fees collected for audits must be deposited in the State Board of Accounts Trust and Agency Fund, which is a dedicated fund that can only be used to cover the expenses of conducting audits of local units. Second, it fully funds the Regional Cities Initiative by guaranteeing the first \$84 M of a tax amnesty program to the Indiana Regional Cities Development Fund. It also requires the Statewide 911 Board to hold distributions in reserve until counties come into compliance with the requirement of a maximum of two PSAPs. Finally, it

contains clean up language from HEA 1019, which repeals the Common Construction Wage and adds additional requirements for contractors working on public works projects.

- Increases the fee for taxing units for State Board of Accounts audits from \$45 per day to \$175 per day.
- Provides that fees collected for audits are to be deposited in the State Board of Accounts Trust and Agency Fund and makes the fund a dedicated fund that can be used to cover expenses of doing audits.
- Requires the Department of State Revenue to establish a tax amnesty program with the first \$84 M collected deposited into the Indiana Regional Cities Development Fund.
- Delays until July 1, 2016, the application of the following requirements to public works projects that were in HEA 1019-2015: (1) That a contractor be qualified by the Department of Administration or the Department of Transportation before doing any work on a public works project. (2) That a contractor that employs 10 or more employees provide access to an appropriate training program. (3) That a tier 1 or tier 2 contractor that employs 50 or more journeymen participate in an apprenticeship or training program for those employees. (4) That a contractor that is awarded a public works contract with an estimated cost of at least \$150,000 by a public subdivision have an employee drug-testing program.
- Reduces the "small project" cap for political subdivision public works projects from \$300,000 to \$250,000. It also adds programs of additional federal and state agencies to the list of acceptable training programs and specifies that a contractor submit employee E-Verify information to the public agency letting the public works contract.
- Establishes a program to provide matching grants to the Northwest Indiana Regional Development Authority for projects extending the Chicago, South Shore and South Bend Railway.
- Requires the Statewide 911 Board to hold distributions in reserve until the county complies with the requirement of a maximum of two PSAPs.
- Allows the Budget Agency to transfer \$100 M from the State General Fund to the Major Moves Trust Fund each year of the biennium.

Broadband Ready Communities (HEA 1101, P.L. 18)

Author: Eric Koch, R-Bedford

Sponsor: Erin Houchin, R-Salem

IACT Comments: Lt. Governor Sue Ellspermann led a group of industry representatives last summer in discussions to identify ways to encourage greater broadband deployment and access in rural areas of the state. HB 1101 was inspired in part by the workings of the Rural Broadband Working Group (read report here). HB 1101 establishes a Broadband Ready Communities Development Center within the IEDC and provides a new designation of "Broadband Ready Community" for units of local government who wish to participate. If your city or town is interested in becoming a Broadband Ready Community, please contact Rhonda Cook at rcook@citiesandtowns.org.

- Establishes the broadband ready communities development center (center) within the Indiana economic development corporation to facilitate certain communications projects.

- Provides that the center may designate a unit of local government as a broadband ready community if the unit establishes a procedure to review applications and issue permits for the communications projects.

Tax Issues (HEA 1142, P.L. 36)

Author: Koch, R-Bedford

Sponsor: Brandt Hershman, R-Buck Creek

- Specifies that the legislative services agency (rather than the commission on state tax and financing policy or its successor committee, under current law) shall before October 1 of each year conduct the review, analysis, and evaluation of all tax incentives under House Enrolled Act 1020-2014, according to a schedule developed by the legislative services agency.
- Requires the legislative services agency to submit the results of the review, analysis, and evaluation to the legislative council and the interim study committee on fiscal policy.
- Requires the interim study committee on fiscal policy to hold an annual public hearing after September 30 and before November 1 of each year at which: (1) the legislative services agency presents its review, analysis, and evaluation of tax incentives; and (2) the interim study committee receives information concerning tax incentives.
- Requires the interim study committee on fiscal policy to submit to the legislative council any recommendations made by the interim study committee that are related to the legislative services agency's review, analysis, and evaluation of tax incentives prepared under this section.
- Requires the legislative services agency to provide information to be used by the general assembly to make certain determinations regarding tax incentives. Current law requires the legislative services agency to make these determinations.
- Requires the legislative services agency to prepare and publish a tax expenditure report before November 1 of each even numbered year. Specifies the required elements of the tax expenditure report.
- Repeals the home insulation deduction and the solar powered roof vent and fan deduction.

Communications Services and Energy Production (HEA 1318, P.L. 145)

Author: Eric Koch, R-Bedford

Sponsor: Brandt Hershman, R-Buck Creek

IACT Comments: This bill was promoted by AT&T and other wireless providers. As initially introduced, it would have eliminated most (if not all) of local's authority to regulate permitting for wireless towers. Our team met frequently with AT&T and other stakeholders to strike a balance that streamlines the process while also preserving local control. If your city or town has an ordinance for wireless tower permitting, you may need to review this law and amend your ordinance accordingly.

- Eliminates the state requirement that a communications service provider allow a physical connection by other providers to its system.

- Establishes a uniform statewide procedure for applications for and issuance of permits for the construction and modification of structures and facilities for the provision of wireless communications service.
- Specifies that local planning and zoning laws apply to the issuance of permits for communications structures and facilities under the new provisions.
- Requires applications for permits to show evidence of compliance with criteria set forth in applicable zoning ordinances with respect to special exceptions, special uses, contingent uses, conditional uses, and variances.
- Provides that a permit authority may not: (1) require an applicant to submit information about; or (2) evaluate; certain business decisions of the applicant.
- Specifies that the Indiana department of transportation, the Indiana finance authority, the state of Indiana (and its agencies, departments, boards, commissions, authorities, and instrumentalities), and the director of the department of natural resources (DNR) are not permit authorities for purposes of the provisions.
- Defines "utility" for purposes of the law concerning utility easements across land under the jurisdiction of the DNR to include a communications service provider.
- Provides that the director of the DNR may not impose a charge to issue a permit to erect or construct a utility line upon or across a public highway right-of-way that passes through state land.
- Urges the legislative council to assign to the interim study committee on energy, utilities, and telecommunications (committee) the topic of amending Indiana's statute concerning alternate energy production, cogeneration, and small hydro facilities to: (1) include as private generation projects under the statute certain cogeneration facilities; and (2) include as eligible facilities under the statute certain alternate energy production facilities, cogeneration facilities, and small hydro facilities.
- Provides that if the topic is assigned to the committee, the committee shall issue a final report, including any recommendations for legislation, to the legislative council not later than November 1, 2015.

Medical Residency and Education (HEA 1323, P.L. 190)

Author: Tim Brown, R-Crawfordsville

Sponsor: Patricia Miller, R-Indianapolis

- Establishes the medical residency education fund for the purpose of expanding medical education in Indiana by funding new residency program slots at licensed hospitals.
- Specifies uses of money from the medical residency education fund and the graduate medical education fund.
- Establishes the graduate medical education board (board) in order to: (1) provide funding for residents not funded by the federal Centers for Medicare and Medicaid Services; (2) provide technical assistance for entities that wish to establish a residency program; (3) fund infrastructure costs for an expansion of graduate medical education; and (4) provide startup funding for entities that wish to establish a residency program.
- Provides that a recipient of a medical education residence grant or money from the graduate medical education fund must agree to provide matching funds equal to at least 25% of the money provided.

- Allows the board to require an entity receiving a grant for infrastructure expenses to financially participate in the expenses in an amount not to exceed 25% of the infrastructure expenses.
- Requires the board to prepare and submit a report to the general assembly before November 1, 2016, concerning recommendations for the expansion of graduate medical education in Indiana.

Northwest Indiana Regional Development Authority (HEA 1398, P.L. 192)

Author: Ed Soliday, R-Valparaiso

Sponsor: Ed Charbonneau, R-Valparaiso

- Provides for direct distributions of riverboat admissions taxes and supplemental distributions to the northwest Indiana regional development authority (RDA) to satisfy the obligations of Lake County, East Chicago, Gary, and Hammond to annually transfer money to the RDA.
- Eliminates the requirement (in current law) that the certified public accountant who conducts the annual audit of the Gary airport authority also: (1) perform a study and evaluation of the airport authority's internal accounting controls; and (2) express an opinion regarding the audit controls.
- Provides that the RDA may fund projects only to the extent that the project is consistent with certain duties imposed upon the RDA or the Marquette Plan.
- Provides that funding a project is subject to review by the state budget committee. Establishes a goal for projects of the RDA to employ and retain a certain percentage of local residences from cities in the northwest Indiana region with a high unemployment rate.
- Requires the RDA to include in the RDA's annual report to the legislative council: (1) a report on the progress toward meeting the goal for the previous year; (2) obstacles to achieving the goal; and (3) the use of the northwest Indiana plan.
- Defines "northwest Indiana plan" as the activities of the Indiana plan for equal employment in its northwest Indiana region.
- Provides for the intercept of gaming tax revenue to recover unpaid transfers to the RDA occurring before July 1, 2015.

Regional Cities (HEA 1403, P.L. 178)

Author: Jerry Torr, R-Carmel

Sponsor: Ed Charbonneau, R-Valparaiso

IACT Comments: This bill is the Governor's Regional Cities Initiative promoted by the Indiana Economic Development Corporation. One of the positive effects of this initiative has been the recognition that quality of life and place-making play a vital role in creating a robust economic development strategy. Young people move where they want to live before they decide what they want to do, and companies follow the talent. Creating quality places is key to attracting and retaining a talented workforce! Learn more about the background of this initiative and how to apply for a grant at: www.indianaregionalcities.com.

- Establishes the Indiana regional city fund (fund) to provide grants and loans to regional development authorities.

- Provides that the Indiana economic development corporation administers the fund.
- Broadens the definition of "project" under the regional development authority statute to include any project that enhances a region with the goal of attracting people or business.
- Specifies that the board of the Indiana economic development corporation (board) may not approve an application for a grant unless: (1) the budget committee has reviewed the application; (2) the board finds that approving the application will have an overall positive return on investment for the state; and (3) the application has received a positive recommendation from the strategic review committee.
- Provides that when the board awards a grant or makes a loan from the fund, the Indiana finance authority, upon request of the board, may determine that part of the grant or loan shall be made from the environmental remediation revolving loan fund if: (1) sufficient money has been transferred from the excess liability fund to the environmental remediation revolving loan fund; (2) the application requests funds for the elimination or mitigation of a release of petroleum from an underground storage tank; (3) the project is ineligible for assistance from the excess liability fund; and (4) the project meets applicable eligibility requirements established by the Indiana finance authority for assistance from the environmental remediation revolving loan fund.
- Provides that third class cities and towns may become members of a regional development authority.
- Changes the rules governing the membership of a board of a regional development authority.
- Requires a regional development authority to report various types of information to the Indiana economic development corporation.
- Replaces mandatory contributions to a regional development authority by a member county or municipality as a condition of membership with contributions for the support of specific projects that have been agreed to by some or all of the member counties and municipalities.

Recreational Trails and Guidelines (HEA 1471, P.L. 67)

Author: Bill Friend, R-Macy

Sponsor: Erin Houchin, R-Salem

IACT Comments: HEA 1471 requires, before March 1, 2016, the Department of Natural Resources to develop guidelines regarding the construction and maintenance of recreational trails in Indiana. This will be a great optional resource for cities and towns to help avoid common mistakes as well as solve common issues with recreational trails. Nothing in this bill is binding on cities and towns.

- Requires the division of outdoor recreation of the department of natural resources to develop recreational trails guidelines to address the following issues as they relate to recreational trails: (1) Clear statement of ownership and management of each trail. (2) Right-of-way inconsistencies. (3) Fence line and drainage issues. (4) Tree and brush control. (5) Weed and mowing issues. (6) Law enforcement jurisdiction issues. (7) Signage issues. (8) Conflict resolution procedures. (9) Appeal procedures. (10) Use by public utility facilities.

Various Alcoholic Beverage Matters (HEA 1542, P.L. 196)

Author: Tom Dermody, R-LaPorte

Sponsor: Ron Alting, R-Lafayette

- Establishes certain procedures and requirements for applications for renewal of alcoholic beverage permits.
- Allows the alcohol and tobacco commission (commission) to process a permit application while the location of the permit premises is pending and upon a showing of need by the applicant.
- Requires the commission to issue a temporary beer permit or temporary wine permit if: (1) the permit application is submitted not later than five business days before the event; and (2) the applicant meets all the requirements for a permit.
- Allows, if authorized by the chairman or chairman's designee and at the commission's discretion, the commission to issue a temporary beer permit or temporary wine permit to an applicant that: (1) submits an application later than five business days before the event; and (2) meets all the requirements for the permit.
- Requires the holder of a supplemental caterer's permit to give the commission 48 hours notice of a catered event instead of 15 days notice of a catered event.
- Provides that provisions that prohibit the commission from issuing, renewing, or transferring permits to applicants that are delinquent in paying certain taxes does not apply to employee's permits.
- Allows a senior residence facility to, without an alcoholic beverage permit, possess and give or furnish an alcoholic beverage, by the bottle or by the glass, on the premises of the senior residence facility campus for consumption on the premises to: (1) a resident of the senior residence facility who is not a minor and who resides on the premises of the senior residence facility; or (2) a guest or family member of a resident who is not a minor and who is visiting the resident.
- Adds certain restaurants, hotels, catering halls, and locations for which the use of a supplemental catering permit has been approved to the types of premises that are excepted from certain provisions regarding the issuance of alcoholic beverage permits near a school or church.
- Provides that, if the commission receives a written statement from the authorized representative of a church or school and determines the church or school does not object to the issuance of an alcoholic beverage permit for certain premises, the commission may not consider subsequent objections from a church or school to the issuance of the same permit type at the same premises location.
- Changes, for three-way permits for certain restaurants and seasonal permits, requirements that the commission post notices in newspapers to posting notices on the commission's Internet web site.
- Allows for the posting of printed notices, instead of publication of notice in a newspaper, if: (1) the commission is unable to procure advertising of the notice in a newspaper at the rate set forth in law; or (2) the newspaper refuses to publish the notice.
- Requires the publication of a notice of a pending investigation be at least five days instead of 15 days before the investigation.

- Provides that the holder of a club permit may designate one day each calendar week as a "guest day". Current law provides that the holder of a club permit may designate three or fewer days in a month or nine or fewer consecutive days in a quarter as "guest days."
- Allows certain employees who are convicted of operating while intoxicated to retain employee's permits if the employees submit information to the commission verifying that the employees have completed appropriate substance abuse treatment or education programs. Current law requires the commission to revoke an employee's permit of an employee who is convicted of operating while intoxicated.
- Establishes requirements and restrictions for certain drug stores or grocery stores and restaurants that are located in the same building.
- Allows the department of natural resources to permit, in the terms of a lease or contract, the retail sale of alcoholic beverages for consumption on the licensed premises of a marina located within the Newton-Stewart State Recreational Area and within Orange County if the lessee or concessionaire applies for and secures the necessary permits.
- Voids part of a commission administrative rule concerning requirements for the issuance of permits located in municipal riverfront development projects.
- Exempts hotels other than the part of a hotel that is a room in a restaurant in which a bar is located over which alcoholic beverages are sold or dispensed by the drink from certain provisions prohibiting minors in public places where alcoholic beverages are sold or furnished. The current law exempts that part of a hotel that is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
- Removes provisions that: (1) increase the penalty for an alcoholic beverage retailer or dealer to accept a gift from an alcoholic beverage manufacturer or certain other permittees from a Class A misdemeanor to a Level 6 felony if the value of a gift is at least \$750; (2) restrict selling alcoholic beverages on Christmas; and (3) allow the holder of a club permit to designate 24 guest days in each calendar year if the club furnishes alcoholic beverages on not more than two days each week.
- Removes references to certain repealed provisions in the definition of "conviction for operating while intoxicated".
- Repeals language that restricts Sunday sales of alcohol in clubs.

Controlled Projects (SEA 251, P.L. 203)

Author: Luke Kenley, R-Noblesville

Sponsor: Jerry Torr, R-Carmel

- Provides that for purposes of determining whether a capital project by a political subdivision located in Hamilton County, other than a school corporation, is a controlled project for purposes of the petition and remonstrance process or the referendum process, the cost of the project does not include any expenditures that will be paid from money that has accumulated or has been deposited by the political subdivision in a fund.
- Specifies that the political subdivision must, before the preliminary determination is made for the capital project, segregate the money as provided in a capital improvement plan, a capital development plan, or a similar plan adopted by the political subdivision. Current law also excludes any expenditures that will be paid from donations or other gifts.

- Provides that a person that owns property within a political subdivision or a person that is a registered voter residing within a political subdivision may file a petition with the department of local government finance (DLGF) objecting that the political subdivision has artificially divided a capital project into multiple capital projects in order to avoid the petition and remonstrance requirements or the referendum requirements. Current law prohibits the artificial division of capital projects for such a purpose.
- Requires the DLGF to make a final determination not later than 30 days after receiving the petition.

Community Foundations (SEA 317, P.L. 50)

Author: Randy Head, R-Logansport

Sponsor: Milo Smith, R-Columbus

- Defines an "eligible community foundation" for state income tax purposes as an organization that: (1) is a tax exempt charitable organization; (2) satisfies the public support test for public charities; (3) is an autonomous, nonsectarian philanthropic institution with component funds established by many separate donors; (4) is accredited under national standards for United States Community Foundations; and (5) supports a broad range of charitable activities in a specific area of the state.

State and Local Taxation (SEA 436, P.L. 249)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Todd Huston, R-Fishers

IACT Comments: This is the omnibus property tax bill of session that includes many provisions. Most importantly for local government, SB 436 includes language aimed at addressing the “dark store” assessment issue that was sparked last December by the Indiana Board of Tax Review’s ruling in favor of an Indianapolis Meijer store. In that case, Meijer used old vacant Walmart and Lowes buildings located in other counties as comps to drive down their assessed value. SB 436 clarifies what is an appropriate comp for certain big box stores, among other provisions for determining assessed value. Of note, the bill specifies that a county, city or town may enter into an agreement with a taxpayer located in a TIF district, so that the taxpayer may not appeal their assessment. SB 436 also eliminates the small business personal property tax for taxpayers with \$20,000 or less assessed business personal property, with an estimated net impact of \$7-8 M loss for locals statewide. The legislature did include an option for replacement revenue in [HEA 1472](#), which allows the county council to adopt a replacement flat fee of up to \$50.

- Provides that if a taxpayer has personal property subject to assessment in more than one township in a county or has personal property that is subject to assessment and that is located in two or more taxing districts within the same township, the taxpayer shall file a single tax return with the county assessor.
- Provides that a personal property return notice must be filed with the county assessor, and not the township assessor, of the county in which the owner resides when the personal property is located in a different county.

- Provides a property tax exemption for taxpayers with less than \$20,000 of total business personal property in a county. Removes the requirement in current law that such an exemption is effective in a county only if adopted by the county income tax council. Requires, for the \$20,000 personal property exemption, that the owner's certification be notarized and signed under penalties for perjury.
- Extends the expiration date of the law specifying the value of outdoor signs through the 2018 assessment date.
- Specifies that for purposes of property tax assessment, certain land is considered to be devoted to agricultural use. Specifies that "agricultural use" includes certain uses defined as agricultural uses for purposes of planning and zoning law.
- Provides that the soil productivity factors used for the March 1, 2011, assessment of agricultural land must be used for the March 1, 2015, assessment date. Specifies that new soil productivity factors shall be used for assessment dates occurring after March 1, 2015.
- Provides that the statewide agricultural land base rate value per acre for the 2015 assessment date is \$2,050, which is the base rate used for the 2014 assessment date.
- Provides that for the 2016 assessment date and each assessment date thereafter, the statewide agricultural land base rate value per acre is equal to the base rate value for the immediately preceding assessment date, multiplied by the assessed value growth quotient.
- Removes the provision specifying that the statute governing the assessment of agricultural land does not apply to land purchased for residential uses.
- Specifies conditions for valuing big box retail properties and commercial nonincome producing real property for property tax purposes and excludes multi-tenant income producing shopping centers from both provisions.
- Requires the Indiana board of tax review (IBTR) to recommend that the parties settle or mediate any case pending before the board as of May 1, 2015, that has not yet received a hearing if certain conditions apply.
- Urges the legislative council to assign to a study committee the topic of studying the need for a definition of the term "utility of the user" under the current property tax assessment system.
- Specifies that in the case of a change occurring after February 28, 2015, in the classification of real property, the assessor has the burden of proving that the change is correct in any review or appeal heard by the property tax assessment board of appeals (county board) and in any appeals taken to the IBTR or to the Indiana tax court.
- Allows county assessors to apply negative influence factors to determine the assessed value of land classified as residential excess land.
- Provides that the basement of a dwelling or other building that is situated in a special flood hazard area as designated by the Federal Emergency Management Agency is exempt from property taxation if: (1) the basement floor level has been elevated to mitigate the risk of flooding; and (2) as a result, the basement is rendered unusable as living space.
- Specifies that, to be eligible for a homestead deduction for property that an individual is buying under contract, the contract must obligate the owner to convey title to the individual upon completion of all of the individual's contract obligations.
- Provides that on the form forwarded by the assessor to the county auditor and the county board after a preliminary informal meeting with a taxpayer, the assessor must attest that the assessor described to the taxpayer the taxpayer's right to a review of the issues by the county board and the taxpayer's right to appeal to the IBTR and to the Indiana tax court.

- Provides that for property tax appeals for the 2014 assessment date, or before, a county auditor may pay refund claims greater than \$100,000 over a period of five years (through 2019) by using credits against future property taxes owed on the property.
- Authorizes a county fiscal body to adopt an ordinance to allow political subdivisions and local agencies within the county to use a uniform property tax disclosure form. Specifies the information that must be disclosed on the form.
- Provides that the department of local government finance (DLGF) shall: (1) review the tax rates and levies for each fire protection territory whose establishment was effective not later than July 1, 2012; (2) make recommendations to the participating units concerning their existing tax rates and tax levies; and (3) report its findings and recommendations to the legislative council.
- Deletes the requirement that a county may impose the motor vehicle license excise surtax only at the same rate or amount on each motor vehicle. Authorizes counties to: (1) impose the surtax at the same rate or amount on each motor vehicle; or (2) impose the surtax at one or more different rates based on the class of vehicle (passenger vehicles, motorcycles, trucks with a declared gross weight that does not exceed 11,000 pounds, and motor driven cycles).
- Does the following in the case of a certified technology park that is operating jointly by multiple redevelopment commissions: (1) Increases the total maximum amount of tax increment that may be captured by the certified technology park. (2) Authorizes a party to the agreement to allocate a part of the maximum amount that may be deposited in the party's incremental tax financing fund to one or more other parties to the agreement.
- Provides that a redevelopment commission may enter into a written agreement with a taxpayer in which the taxpayer waives review of any assessment of the taxpayer's tangible property that is located in an allocation area.
- Urges the legislative council to assign to a study committee the issue of alternative means of agricultural land assessment.
- Provides that for purposes of the provisions in current law concerning: (1) the designation of a township as distressed; (2) the requiring of a separate township assistance benefits levy and a separate township assistance administration levy; and (3) the transfer of municipal territory to an adjacent township after a referendum; those provisions apply to a township if the township's township assistance property tax rate is more than the result of the statewide average township assistance property tax rate for the preceding year (rather than for the current year, under existing law) multiplied by 12.
- Urges a legislative study of methods used to determine the true tax value for nonincome producing commercial property.

[Comprehensive Care Health Facilities \(SEA 460, P.L. 257\)](#)

Author: Patricia Miller, R-Indianapolis

Sponsor: Tim Brown, R-Crawfordsville

- Prohibits the state department of health from approving: (1) the licensure of comprehensive care health facilities; (2) new or converted comprehensive care beds; or (3) the certification of new or converted comprehensive care beds for participation in the state Medicaid program; through June 30, 2018.

- Makes exceptions for certain facilities that are: (1) under development; (2) small house health facilities; (3) replacement facilities; (4) continuing care retirement communities; (5) facilities located in counties whose comprehensive care bed occupancy rate exceeds 90%; and (6) facilities that undergo a change of ownership for certain purposes. Limits small house facilities to 100 new licensed or Medicaid certified comprehensive care beds per year.

Redevelopment Commissions and Authorities (SEA 567, P.L. 87)

Author: Pete Miller, R-Avon

Sponsor: Randy Truitt, R-West Lafayette

IACT Comments: SEA 567 was an IACT Initiative Bill to simply TIF reporting. Over the last several years, local governments' use of TIF has been under scrutiny at the legislature and several bills have passed which require more transparency and additional reporting. The reporting requirements, however, were duplicative. The measure passed in SEA 567 consolidates reporting and makes the reporting process more efficient.

- Requires a redevelopment commission or redevelopment authority to hold an organizational meeting on a day that is not a Saturday, a Sunday, or a legal holiday and that is their first meeting day of the year.
- Provides that the fiscal officer of a redevelopment commission may disburse funds only after the disbursement is approved by the redevelopment commission.
- Allows a redevelopment commission to specify types of disbursements that the fiscal officer may make in advance of the commission's approval at its next regular meeting.
- Requires the treasurer of a redevelopment commission to report annually to the redevelopment commission before April 1 (rather than reporting to the fiscal body of the unit before July 1, under current law).
- Requires the treasurer of a redevelopment authority to report annually to the redevelopment authority before April 1 (rather than reporting to the fiscal body of the unit before July 1, under current law).
- Requires redevelopment commissions and redevelopment authorities to report annually to the unit's executive and fiscal body and the department of local government finance before April 15.
- Specifies that certain information currently reported annually by redevelopment commissions before August 1 shall instead be included with the April 15 report.
- Specifies information to be included in the annual report of a redevelopment authority

Courts

Criminal Justice Funding (SEA 1006, P.L. 179)

Author: Greg Steuerwald, R-Danville

Sponsor: Brent Steele, R-Bedford

- Establishes the justice reinvestment advisory council (advisory council) to review and evaluate local corrections programs, grant applications, and the processes used to award grants.
- Requires the department to compile certain information and submit reports to the budget committee and advisory council.
- Specifies the purposes for which the department may award financial aid.
- Repeals the county corrections fund that provides funding to each county for operation of the county's jail, jail programs, or other local correctional facilities or community based programs.
- Requires a probation officer to consult with community corrections concerning programs available to the defendant in preparing the presentence report.
- Permits a court to delegate the terms of placement in community corrections to the community corrections program director, and permits the director to change the terms of placement or reassign a person in community corrections.
- Provides that after December 31, 2015, a court may not commit a person convicted of a Level 6 felony to the department of correction, with certain exceptions.
- Requires the department of correction, the division of mental health and addiction, and a community corrections advisory board to submit grant applications to the advisory council for review.
- Provides that the advisory council shall meet to: (1) work with the department of correction and the division of mental health and addiction to establish the grant criteria; and (2) make recommendations to the department of correction and the division of mental health and addiction concerning the award of grants.
- Establishes the mental health and addiction forensic treatment services account within the statutes governing the division of mental health and addiction and provides that the division may use money in the account to fund grants and vouchers for mental health and addiction forensic treatment services.
- Permits the department of correction to accept an offender convicted of a misdemeanor if the offender has at least 547 days remaining before the person's earliest release date as the result of a sentencing enhancement applied to a misdemeanor sentence.
- Specifies that a sheriff is entitled to a per diem and medical expense reimbursement from the department of correction for the cost of incarcerating certain persons in the county jail.
- Makes permanent certain provisions permitting the department of correction to award grants from operational savings attributable to HEA 1006-2014, and provides that these funds may only be used for community corrections or court supervised recidivism reduction programs.
- Specifies that certain funds may not be used to construct or renovate community corrections facilities. Resolves conflicts.

Magistrates and Courts (HEA 1110, P.L. 173)

Author: Steven Stemler, D-Jeffersonville

Sponsor: Brent Steele, R-Bedford

- Allows the judges of the Clark circuit court to jointly appoint a third full-time magistrate.
- Allows the judge of the Greene circuit court and the judge of the Greene superior court to jointly appoint one full-time magistrate.
- Allows the judges of the Madison circuit court to jointly appoint a second full-time magistrate.
- Allows the judges of the Marion superior court to appoint four additional full-time magistrates after December 31, 2015.
- Allows the judge of the Porter circuit court to appoint one full-time magistrate.
- Allows the judge of the Vanderburgh circuit court to appoint a second full-time magistrate.
- Allows a magistrate to: (1) approve and accept criminal plea agreements; (2) approve agreed settlements concerning civil matters; and (3) approve decrees of dissolution, settlement agreements, and any other agreements of the parties in domestic relations actions or paternity actions.
- Allows the: (1) judge of the St. Joseph circuit court to appoint one additional full-time magistrate, for a total of three full-time magistrates; and (2) judges of the St. Joseph superior court to jointly appoint two additional full-time magistrates for a total of four full-time magistrates, not more than two of whom may be from the same political party.
- Provides that meetings of the St. Joseph judicial nominating commission must be held at a place in: (1) the St. Joseph County courthouse; or (2) another building owned or operated by St. Joseph County; in South Bend as the clerk of the St. Joseph superior court may arrange.
- Removes the authority of the Sullivan circuit and superior court judges to jointly appoint a full-time magistrate as of July 1, 2016.
- Provides that the term of a full-time magistrate appointed by the Sullivan circuit and superior court judges ends not later than July 1, 2016.
- Requires the judge of a city or town court to be an attorney in good standing admitted to practice law in Indiana.
- Allows a currently serving city or town court judge who is not an attorney to continue to serve as a judge until he or she leaves office.
- Urges the legislative council to assign to a study committee the topic of the appropriate number of judges in Pulaski County.

Exemption of Military Reservists From Jury Duty (HEA 1131, P.L. 19)

Author: Richard Hamm, R-Richmond

Sponsor: Jeff Raatz, R- Centerville

- Provides that an individual who serves on reserve duty in the armed forces of the United States or the Indiana National Guard while on military orders is exempt from jury duty.

Judgment Dockets (HEA 1141, P.L. 55)

Author: Kathy Richardson, R-Noblesville

Sponsor: Brent Steele, R-Bedford

- Specifies that the clerk of a circuit court: (1) shall keep a judgment docket for the circuit court and for each superior court and probate court served by the clerk; and (2) is the official keeper of the judgment docket for the circuit court and for each superior court and probate court served by the clerk.
- Provides that a judgment docket may not include judgments in which the state, a county, or another governmental entity is the sole creditor, except for: (1) cases in which the state obtains a judgment for unpaid taxes; or (2) any entry that is required by statute

CHINS and Delinquent Child Dual Determination (HEA 1196, P.L. 66)

Author: McNamara, R-Mount Vernon

Sponsor: Head, R-Logansport

- Requires that in a child in need of services (CHINS) determination, a court shall determine if the child has been adjudicated as a delinquent child.
- Requires that in a delinquency determination, a court shall determine if the child is a child in need of services.
- Provides that if a child is a child in need of services and has been adjudicated as a delinquent child, a court may determine if the department of child services or the probation department of the court shall be the lead agency supervising the child.
- Creates procedures to determine whether a child should be assessed by a dual status assessment team.
- Creates dual status assessment teams that will assess certain children and make recommendations to a juvenile court whether the court should proceed with applicable child in need of service petitions and delinquency petitions.

Expungement (HEA 1302, P.L. 142)

Author: Jud McMillin, R-Brookville

Sponsor: Brent Steele, R-Bedford

- Provides that expungement provisions concerning an arrest that does not lead to a conviction also apply to criminal charges or juvenile delinquency allegations that do not lead to a conviction.
- Specifies that a person who files for expungement of an arrest, charge, or juvenile delinquency adjudication that did not lead to a conviction or juvenile delinquency adjudication may file the petition in a circuit or superior court.
- Provides that a person who files for the expungement of an arrest, criminal charge, or juvenile delinquency allegation that did not lead to a conviction or juvenile delinquency adjudication is not required to pay a filing fee, but that a person who files a petition for expungement of a conviction is required to pay the filing fee required in civil cases.
- Provides that, if a court has no discretion in granting an expungement petition, the prosecuting attorney is not required to inform the victim of the victim's rights.

- Removes a requirement that the petitioner submit bureau of motor vehicles records.
- Requires that additional identifying information must be included in a petition for expungement and order granting an expungement.
- Grants access to expunged records to the bureau of motor vehicles and certain federal agencies for the purpose of complying with laws concerning commercial drivers licenses.
- Specifies the procedure for expunging pre-1977 convictions.
- Requires a prosecuting attorney to file objections to an expungement petition with the court and serve a copy on the petitioner.
- Provides that a person convicted of: (1) two or more felony offenses involving the unlawful use of a deadly weapon; (2) that were not committed as part of the same episode of criminal conduct; may not have the person's convictions expunged.

Various Criminal Law Matters (HEA 1304, P.L. 187)

Author: Jud McMillin, R-Brookville

Sponsor: Brent Steele, R-Bedford

- Requires the criminal justice institute to track the number of juveniles in adult court.
- Requires custodial interrogations of juveniles to be recorded.
- Raises the ages for waiver of jurisdiction of certain juveniles to adult court.
- Allows a person with an intellectual disability, developmental disability, or autism spectrum disorder to participate in a forensic diversion program.
- Authorizes a prosecuting attorney to require a person participating in a prosecutorial diversion program to receive mental health treatment to reduce recidivism, and allows diversion and deferral fees to be used to fund mental health treatment programs to reduce recidivism.
- Allows a criminal court to appoint a forensic advocate to assist a person with an intellectual disability, developmental disability, or autism spectrum disorder who is charged with a criminal offense.
- Allows continuation of a prosecution for a person who is a drug abuser or an alcoholic charged with a misdemeanor or certain felonies.
- Provides that addiction counseling, inpatient detoxification, and the administration of a federal Food and Drug Administration (FDA) approved, nonaddictive medication for alcohol or opioid treatment may be required to treat opioid or alcohol addiction as a condition of parole, probation, community corrections, pretrial diversion, or participation in a problem solving court.
- Provides that the division of mental health and addiction may consider the administration of an FDA approved, nonaddictive medication for alcohol or opioid treatment as an alternative to methadone treatment.
- Repeals provisions allowing juvenile courts to modify disposition orders concerning truancy and runaways.
- Makes it a delinquent act for a child to leave a specific location designated by the child's parent, guardian, or custodian: (1) without reasonable cause; and (2) without permission of the parent, guardian, or custodian, who requests the child's return.
- Provides that a child who commits the delinquent act of running away may not be held in a juvenile detention facility.

- Provides that a juvenile shall not be restrained in court unless the court determines the juvenile is dangerous or potentially dangerous.
- Allows drug abusers or alcoholics charged with or convicted of certain felonies to request treatment for addictions.
- Provides that a convicted individual may be placed on probation if the individual requests to undergo substance abuse treatment.
- Provides for voluntary and involuntary treatment for drug addictions.
- Allows an alcohol and drug services program or the clerk of a court to collect fees concerning court established alcohol and drug services programs.
- Excludes possession of rolling papers and raw materials from the crime of possession of paraphernalia, and removes possession of paraphernalia as an infraction.
- Makes the knowing or intentional possession of paraphernalia a Class C misdemeanor, and increases the penalty to a Class A misdemeanor if the person has a prior unrelated judgment or conviction.
- Makes it a Level 6 felony to possess a hypodermic needle with intent to commit a controlled substance offense. Under current law, the offense only applies if committed with intent to violate the legend drug act.
- Requires the division of mental health and addiction and the division of disability and rehabilitative services to submit a report to the legislative council concerning services for individuals with dual diagnosis.
- Increases the penalty for child molesting if it results in the transmission of a dangerous sexually transmitted disease.
- Allows the state to seek the death penalty or a sentence of life without parole for a murder committed in a building primarily used for educational purposes if the murder is committed: (1) on school property or in a building owned by a postsecondary educational institution; and (2) at a time when children are likely to be present (for a building on school property) or classes are in session (for a building owned by a postsecondary educational institution).
- Authorizes the state to seek the death penalty or a sentence of life without parole for a murder committed in a building primarily used for religious worship if the murder is committed at a time when persons are likely to be present for religious worship or education.

Lake County City and Town Court Jurisdiction (HEA 1307, P.L 143)

Author: Bill Fine, R-Munster

Sponsor: Rick Niemeyer, R-Lowell

- Increases the maximum civil jurisdiction from an amount in controversy of \$3,000 to an amount in controversy of \$6,000 for the: (1) East Chicago, Gary, Hammond, Hobart, and Crown Point city courts; and (2) Merrillville town court.
- Specifies that a "clerk serving the county" includes the clerk of a city or town court for purposes of supplementing jury fees from the local jury pay fund.

Public Officials, Liens and Restricted Addresses (HEA 1371, P.L. 191)

Author: Kathy Richardson, R-Noblesville

Sponsor: Brent Steele, R-Bedford

IACT Comments: HEA 1371 is legislation that IACT worked to tweak because the original language was troublesome. The bill is aimed to address the problem with disgruntled individuals filing common law liens on property owned by official, particularly, judges. Under the provisions of the new law, a common law lien filed against an official would automatically expire within 30 days if suit is not brought. The bill also addresses protection of personal data for certain individuals.

- Provides that, for purposes of the law concerning common law liens, a public official includes former officeholders. Creates a definition for "public employee."
- Provides if a person notifies the county recorder that the person is a public official or public employee, a common law lien that is recorded on the person's property is automatically void after 30 days if the lienholder has not commenced suit on the lien. Under current law, a person must file an affidavit of service of notice with the county recorder in order to release the lien.
- Prohibits a person from slandering the title to land by use of the law concerning common law liens.
- Provides that certain judicial officers, law enforcement officers, victims of domestic violence, and certain public officials who want to restrict access to their home addresses by means of a public property data base web site must submit a written request to the appropriate county, municipality, or township.
- Requires a county, municipality, or township that operates a public property data base web site to establish a process to prevent a member of the general public from gaining access to these home addresses by means of the public property data base web site.
- Requires a person who requests a circuit court clerk to send an additional mailing by registered or certified mail to provide: (1) an addressed envelope with postage prepaid; (2) the United States Postal Service forms for registered or certified mail; and (3) the United States Postal Service fee for service by registered or certified mail.
- Provides that any fees collected by the circuit court clerk for preparing a transcript or copy of a record are deposited in the clerk's records perpetuation fund instead of the county general fund.

Department of Child Services (HEA 1434, P.L. 104)

Author: Kevin Mahan, R-Hartford City

Sponsor: Randy Head, R-Logansport

- Makes changes to the child services and juvenile laws concerning the following: (1) Criminal history background checks. (2) Exception of certain governmental employees to licensing or certification requirements of social workers and counselors. (3) The responsibilities of the department of child services. (4) Transitional services plans for certain individuals receiving foster care or collaborative care. (5) Regional service strategic plans. (6) Foster care. (7) Detention of children alleged to be children in needs

of services. (8) Case plans for children in need of services. (9) Dispositional decrees and review of disposition decrees concerning children in needs of services. (10) Dispositional decrees and review of dispositional decrees concerning delinquent children.

- Repeals provisions concerning local plans for the provision of child protection services.

Mental Health Drugs and Coverage (HEA 1448, P.L. 154)

Author: Steve Davisson, R-Salem

Sponsor: Pat Miller, R-Indianapolis

- Includes inpatient substance abuse detoxification services as a Medicaid service.
- Authorizes the office of Medicaid policy and planning to require prior authorization for addictive medication used as medication assisted treatment for substance abuse.
- Allows money in the forensic treatment services account to be used to fund grants and vouchers for licensed mental health or addiction providers.
- Requires information and training to judges, prosecutors, and public defenders concerning diversion programs, probationary programs, and involuntary commitment.

Video Conferencing by Confined Persons (HEA 1531, P.L. 159)

Author: Steve Davisson, R-Salem

Sponsor: Brent Steele, R-Bedford

- Allows certain court proceedings involving a person confined to the department of correction to be conducted by video conferencing with the consent of the confined person.
- Allows a person confined in a county jail to receive a mental health evaluation for the purpose of mental health assessment and treatment by means of video conferencing. Specifies that a mental health evaluation for the purpose of: (1) determining competency to stand trial; or (2) establishing a defense to a crime; may not be conducted by video conferencing.
- Prohibits recording of a mental health evaluation.

Service of Process (SEA 2, P.L. 41)

Author: Brent Steele, R-Bedford

Sponsor: Peggy Mayfield, R-Bloomington

- Specifies that "registered or certified mail" includes any means of delivery that provides a return receipt.
- Provides that the cost of service to not more than two parties may be paid from court fees.
- Requires a person who requests a circuit court clerk to send an additional mailing by registered or certified mail to provide: (1) an addressed envelope with postage prepaid; (2) the United States Postal Service or other forms for registered or certified mail; and (3) the United States Postal Service fee or other fee for service by registered or certified mail.

Lawsuits Against Gun Manufacturers (SEA 98, P.L. 106)

Author: Brent Steel, R-Bedford

Sponsor: Ben Smaltz, R-Auburn

- Prohibits a person from bringing certain actions against a firearms manufacturer, ammunition manufacturer, trade association, or seller, and makes the prohibition effective upon passage.
- Prohibits awards for attorney's fees and incurred costs in certain instances.

Trials and Magistrates (SEA 137, P.L. 108)

Author: Lonnie Randolph, D-East Chicago

Sponsor: Bill Fine, R-Munster

- Conforms Indiana statutes concerning the right to a jury trial in a criminal case with the provisions in the Indiana Rules of Criminal Procedure concerning waiver of the right to a jury trial.
- Provides that, unless the defendant consents, a magistrate may not preside over a sentencing hearing if the magistrate did not preside over the criminal trial.

Sentence Modification (SEA 174, P.L. 164)

Author: R. Michael Young, R-Indianapolis

Sponsor: David Frizzell, R-Indianapolis

- Makes a person who commits an offense before July 1, 2014, eligible for sentence modification on the same terms as a person sentenced on or after that date.
- Provides that a violent criminal, as defined, may file one petition for sentence modification without the consent of the prosecuting attorney if the petition is filed within 365 days of sentencing.
- Allows a person who is not a violent criminal to file two petitions for sentence modification without the consent of the prosecuting attorney.
- Allows certain offenders who committed an offense after June 30, 2014, and before May 15, 2015, to file an additional petition.

Credit Time (SEA 175, P.L. 74)

Author: R. Michael Young, R-Indianapolis

Sponsor: Greg Steuerwald, R-Avon

- Defines "accrued credit", "credit time", "educational credit", and "good time credit", and applies these definitions uniformly in the criminal code and the corrections code.

[Appeals by the Attorney General \(SEA 261, P.L. 110\)](#)

Author: R. Young, R-Indianapolis

Sponsor: Casey Cox, R-Fort Wayne

- Specifies the circumstances under which the state can appeal in criminal and juvenile delinquency cases.

[Limited Liability Arising from Trespassing \(SEA 306, P.L. 88\)](#)

Author: Rod Bray, R-Martinsville

Sponsor: Greg Steuerwald, R-Avon

- Provides that a person who possesses any fee, reversionary, or easement interest in real property, including an owner, a lessee, or another lawful occupant of real property, does not owe a duty of care to a trespasser, except to refrain from willfully or wantonly injuring the trespasser, after the trespasser has been discovered on the real property possessed by the person.
- Provides that the person may be subject to liability for physical injury or death to a child trespasser under certain circumstances.

[Defense to Liability Concerning Liquefied Petroleum Gas Providers \(SEA 361, P.L. 90\)](#)

Author: Mark Messmer, R-Jasper

Sponsor: Jud McMillin, R-Brookville

- Provides that the provider of liquefied petroleum gas that was used in: (1) liquefied petroleum gas equipment; or (2) a liquefied petroleum gas appliance; involved in causing bodily injury or property damage has an affirmative defense in any action brought against the provider if a person assumed the risk of causing the bodily injury or property damage because of certain actions taken by the person in unreasonably altering, modifying, repairing, or using the equipment or appliance.
- Changes the standard for altering petroleum gas equipment or appliances from "unreasonably alters" to "materially alters."
- Removes language stating that the assumption of a risk is a complete defense to certain actions against a provider of liquefied petroleum gas.

[Shotguns \(SEA 433, P.L. 84\)](#)

Author: Jim Tomes, R-Wadesville

Sponsor: Jim Lucas, R-Seymour

- Repeals the prohibition against manufacturing, importing, selling, or possessing a sawed-off shotgun.
- Provides for a 10 year sentence enhancement if a person possesses a sawed-off shotgun in violation of federal law while committing certain offenses.
- Makes conforming amendments.

Cigarettes and Tobacco Sales (SEA 463, P.L. 231)

Author: Pat Miller, R-Indianapolis

Sponsor: Tim Brown, R-Crawfordsville

- Prohibits the sale at retail of an electronic cigarette without a valid tobacco sales certificate issued by the alcohol and tobacco commission (commission) and includes electronic cigarettes in the certification regulation statutes.
- Provides that the commission may not enforce an action regarding tobacco sales certificates and electronic cigarettes until after August 31, 2015.
- Permits smoking in certain cigar stores and bars.
- Removes the requirement that members of a club or fraternal club must vote to allow smoking on the premises.
- Provides that the club or fraternal club may allow guests in the designated smoking room or area only when accompanied by a bona fide member.
- Specifies that a condition in allowing smoking in a specialty cigar store is that the store does not sell any food or beverage that would require a certified food handler.
- Removes a requirement that a specialty cigar store not sell food and beverages in a manner that would require consumption on the premises and that there not be an area set aside for food consumption.
- Specifies that e-liquids must use tamper evident packaging.
- Sets time frames in which manufacturers and retailers must distribute or sell an e-liquid.
- Specifies that an e-liquid manufacturer must obtain a permit before July 1, 2016, in order to mix, bottle, package, or sell e-liquids after June 30, 2016.
- Amends the law on the qualified escrow fund for tobacco product manufacturers: (1) to exempt cigarettes sold on federal military installations and other state excise tax exempt cigarette sales from the definition of "units sold"; and (2) to require the department of state revenue (department) to adopt rules that are necessary to ascertain the number of units sold of a tobacco product manufacturer for each year regardless of whether the state excise tax was due or collected.
- Authorizes the department, the commission, and the attorney general to provide certain information to courts, arbitrators, and data clearinghouses for the purpose of making calculations under the tobacco master settlement agreement if a protective order is executed.
- Makes specified tobacco sales data that is provided by an outside party confidential.
- Prohibits the manufacture, sale, or distribution of: (1) a liquid or gel substance containing nicotine; or (2) a nicotine liquid container; unless the product is contained in child resistant packaging.
- Authorizes the commission to seize and destroy products sold or distributed in violation of this prohibition and to impose a civil penalty on a person who sells or distributes a product in violation of the prohibition.
- Limits the civil penalty to the greater of: (1) 500% of the retail value of the product sold or distributed; or (2) \$5,000.
- Urges the legislative council to assign certain tobacco related issues to the public policy interim study committee during the 2015 interim.

Marion County Township Courts (SEA 523, P.L. 170)

Author: R. Michael Young, R-Indianapolis

Sponsor: David Frizzell, R-Indianapolis

- Makes the township small claims courts in Marion County courts of record as of July 1, 2018.
- Permits a part-time small claims court to become a full-time court on January 1, 2016, by submitting to the township board a notice of intent to become a full-time court, approved by the township trustee, before August 1, 2015.
- Makes all small claims courts full-time courts after December 31, 2016.
- Provides that a court which was a full-time court on January 1, 2015, will remain a full-time court.
- Sets the annual salary of a full-time small claims court judge at 75% of the salary of a Marion County circuit court judge.
- Provides that the judge of a small claims court has the authority to employ staff, and that staff serve at the pleasure of the judge.
- Increases the jurisdictional amount to \$8,000.
- Requires the courts to use a centralized case management system approved by the division of state court administration.
- Defines "low caseload court" and requires certain fees to be transferred to low caseload courts.
- Requires the judge of a low caseload court to identify five days during each month in which the judge will be available to assist the other judges with their judicial duties, and establishes a process by which the small claims presiding judge may assign the judge of a low caseload court to assist other judges.

Criminal Code

Ethics (HEA 1002, P.L. 123)

Author: Brian Bosma, R-Indianapolis

Sponsor: David Long, R-Fort Wayne

- Makes the following changes in the laws governing legislative ethics, lobbyist and legislative liaison reporting, and executive agency ethics:
- (1) Reenacts the legislative ethics statute in a different Indiana Code location and makes changes, including the following: Expands the interests that must be disclosed in a statement of economic interests filed by a legislator or legislative candidate. Requires a filer to report the name of a lobbyist who is a relative of the filer. Requires both the house and the senate to adopt a code of ethics, provide ethics education to members, and review filed statements of economic interests. Sets term and appointment procedures for the house and senate ethics committees. Sets procedures related to filing and reviewing complaints. Establishes the office of legislative ethics in the legislative services agency.

- (2) Makes changes in the lobbyist registration and reporting law, including the following: Relocates definitions and defines family business. Requires reporting the name of any legislator who is a close relative of the lobbyist. Specifies that failure to file statements and reports constitutes a Level 6 felony if the omission is not corrected within 10 days after being notified of the violation by the lobby registration commission.
- (3) Moves provisions related to legislative liaison reporting to a different Indiana Code location and makes the following changes: Eliminates the reporting of lobbying expenditures by legislative liaisons in the executive branch and for state educational institutions. Requires state educational institutions to report certain expenses related to lobbying by their employees and related foundations.
- (4) Makes changes in the ethics statute applicable to state agencies, including the following: Changes the definition of employer. Limits the circumstances in which post employment restrictions on employees of the executive branch may be waived. Makes changes to the restrictions on post employment and consulting activity of state officers, employees, and special state appointees. Provides that a state officer, state employee, or special state appointee may not use state materials, funds, property, personnel, facilities, or equipment for purposes other than official state business unless the use is expressly permitted by a general written policy or regulation that has been approved by the state ethics commission or the use is to coordinate the state officer's official, personal, and political calendars, to provide transportation and security for the state officer and any employee or special state appointee who accompanies the state officer, or for incidental or de minimus political communications or activity involving the state officer. Repeals the existing legislative ethics and legislative liaison reporting statutes.

Receipt of Gift by Permittee (HEA 1119, P.L. 64)

Author: Steuerwald, R-Avon

Sponsor: Steele, R-Bedford

- Removes a provision that increases the penalty for an alcoholic beverage retailer or dealer to accept a gift from an alcoholic beverage manufacturer or other permittee from a Class A misdemeanor to a Level 6 felony if the value of a gift is at least \$750.

Various Criminal Law Matters (HEA 1304, P.L. 187)

Author: Jud McMillin, R-Brookville

Sponsor: Brent Steele, R-Bedford

- Requires the criminal justice institute to track the number of juveniles in adult court.
- Requires custodial interrogations of juveniles to be recorded.
- Raises the ages for waiver of jurisdiction of certain juveniles to adult court.
- Allows a person with an intellectual disability, developmental disability, or autism spectrum disorder to participate in a forensic diversion program.
- Authorizes a prosecuting attorney to require a person participating in a prosecutorial diversion program to receive mental health treatment to reduce recidivism, and allows diversion and deferral fees to be used to fund mental health treatment programs to reduce recidivism.

- Allows a criminal court to appoint a forensic advocate to assist a person with an intellectual disability, developmental disability, or autism spectrum disorder who is charged with a criminal offense.
- Allows continuation of a prosecution for a person who is a drug abuser or an alcoholic charged with a misdemeanor or certain felonies.
- Provides that addiction counseling, inpatient detoxification, and the administration of a federal Food and Drug Administration (FDA) approved, nonaddictive medication for alcohol or opioid treatment may be required to treat opioid or alcohol addiction as a condition of parole, probation, community corrections, pretrial diversion, or participation in a problem solving court.
- Provides that the division of mental health and addiction may consider the administration of an FDA approved, nonaddictive medication for alcohol or opioid treatment as an alternative to methadone treatment.
- Repeals provisions allowing juvenile courts to modify disposition orders concerning truancy and runaways.
- Makes it a delinquent act for a child to leave a specific location designated by the child's parent, guardian, or custodian: (1) without reasonable cause; and (2) without permission of the parent, guardian, or custodian, who requests the child's return.
- Provides that a child who commits the delinquent act of running away may not be held in a juvenile detention facility.
- Provides that a juvenile shall not be restrained in court unless the court determines the juvenile is dangerous or potentially dangerous.
- Allows drug abusers or alcoholics charged with or convicted of certain felonies to request treatment for addictions.
- Provides that a convicted individual may be placed on probation if the individual requests to undergo substance abuse treatment.
- Provides for voluntary and involuntary treatment for drug addictions.
- Allows an alcohol and drug services program or the clerk of a court to collect fees concerning court established alcohol and drug services programs.
- Excludes possession of rolling papers and raw materials from the crime of possession of paraphernalia, and removes possession of paraphernalia as an infraction.
- Makes the knowing or intentional possession of paraphernalia a Class C misdemeanor, and increases the penalty to a Class A misdemeanor if the person has a prior unrelated judgment or conviction.
- Makes it a Level 6 felony to possess a hypodermic needle with intent to commit a controlled substance offense. Under current law, the offense only applies if committed with intent to violate the legend drug act.
- Requires the division of mental health and addiction and the division of disability and rehabilitative services to submit a report to the legislative council concerning services for individuals with dual diagnosis.
- Increases the penalty for child molesting if it results in the transmission of a dangerous sexually transmitted disease.
- Allows the state to seek the death penalty or a sentence of life without parole for a murder committed in a building primarily used for educational purposes if the murder is committed: (1) on school property or in a building owned by a postsecondary educational

institution; and (2) at a time when children are likely to be present (for a building on school property) or classes are in session (for a building owned by a postsecondary educational institution).

- Authorizes the state to seek the death penalty or a sentence of life without parole for a murder committed in a building primarily used for religious worship if the murder is committed at a time when persons are likely to be present for religious worship or education.

Various Motor Vehicle Issues (HEA 1305, P.L. 188)

Author: Jud McMillin, R-Brookville

Sponsor: Mike Young, R-Speedway

- Raises the penalty for reckless driving resulting in bodily injury from a Class B misdemeanor to a Class A misdemeanor.
- Reduces the penalty for reckless driving resulting in property damage from a Class B misdemeanor to a Class C misdemeanor.
- Provides that simultaneous possession of an out-of-state driver's license or identification card and an Indiana driver's license or identification card is a Class C infraction.
- Provides that counterfeit reproduction of a driver's license is a Class B misdemeanor.
- Imposes penalties for failing to change lanes or slow a vehicle when approaching certain stationary vehicles that display alternately flashing amber lights.
- Provides that a driver's license or vehicle registration, or both, may be suspended once for each failure to provide proof of financial responsibility.
- Requires motorists to contact a 911 telephone operator following a vehicular collision resulting in injury or death.
- Provides that failure to render assistance to injured or entrapped victims of a vehicular collision is a Class C misdemeanor for certain persons.
- Provides that a driver's license suspension originating from another jurisdiction prohibits the receipt of specialized driving privileges.
- Makes other changes to statutes concerning vehicle titles and disposal facilities.
- Establishes that felonies codified in IC 9 are qualifying offenses for habitual traffic violator status.
- Provides that felony offenses requiring the operation of a vehicle as a material element of a crime are qualifying offenses for habitual traffic violator status.
- Precludes an individual from being adjudicated a habitual traffic violator more than once for the same underlying offenses.
- Allows individuals to declare habitual traffic violator status by petitioning a court.
- Prohibits a driver's license suspension or lifetime forfeiture for operating a vehicle while driving privileges are suspended or in violation of a license restriction.
- Provides that, at the request of a defendant, the court may find habitual traffic violator status by a preponderance of the evidence.
- Requires the prosecuting attorney of the county in which a petition for reinstatement of driving privileges is filed to represent the state.
- Allows holders of commercial driving licenses to seek specialized driving privileges.
- Creates the habitual vehicle substance offender enhancement.

- Establishes who is eligible for specialized driving privileges.
- Makes unreasonably obstructing traffic a Class C infraction and obstructing traffic with the intent to do so a Class B misdemeanor.
- Places specific criminal penalties in corresponding sections.
- Repeals language that applies criminal penalties to an entire chapter.
- Removes the felony enhancement for selling a rebuilt vehicle without written notice.
- Permits a person who has held a learner's permit to obtain specialized driving privileges.
- Requires vehicles on specified multilane roads to change lanes to permit an overtaking vehicle to pass, with certain exceptions.
- Specifies the conditions under which a person's driver's license, permit, or driving privileges may be suspended, the duration of the suspension, and whether the person may receive specialized driving privileges.

Regulation of E-Liquids (HEA 1432, P.L. 176)

Author: Kevin Mahan, R-Hartford City

Sponsor: Carlin Yoder, R-Goshen

- Defines "e-liquid" as a substance that is intended to be vaporized and inhaled using a vapor pen. Requires a manufacturer of e-liquid to obtain a permit from the alcohol and tobacco commission before bottling e-liquid or selling e-liquid to retailers or distributors. Provides that the initial application for a manufacturing permit must include: (1) plans for the applicant's manufacturing facility; (2) a service agreement between the applicant and a security firm requiring the security firm to certify that the manufacturer meets certain security requirements; and (3) an application fee of \$1,000.
- Provides that a manufacturer's permit is valid for five years and establishes requirements for permit renewal, including a \$500 permit renewal application fee.
- Establishes requirements for e-liquid retailers, distributors, and manufacturers. Limits the ingredients that can be used in making e-liquids.
- Provides for the suspension or revocation of a manufacturer's permit and the assessment of a civil penalty against a manufacturer for a violation of the law.
- Provides that a retailer who knowingly: (1) sells e-liquid to a minor; (2) sells e-liquid purchased from a manufacturer that does not have a permit; or (3) sells e-liquid that has been altered or tampered with; commits a Class C infraction. Makes other unauthorized actions involving e-liquid a Class A infraction. Authorizes a permit holder to bring a civil action against an e-liquid producer that distributes e-liquid not approved for sale in Indiana.

Hunting Guide Services (HEA 1545, P.L. 38)

Author: Tom Saunders, R-Lewisville

Sponsor: Sue Glick, R-LaGrange

- Amends the definition of "guide services" to include: (1) offering to transport; and (2) transporting; an individual to a location for the purpose of hunting or fishing in exchange for money or other consideration.

- Provides that a person who provides guide service by knowingly or intentionally transporting an individual to private property to hunt or fish without the permission or consent of the owner of the private property commits a Class A misdemeanor.

Powdered or Crystalline Alcohol (SEA 6, P.L. 70)

Author: Ron Alting, R-Lafayette

Sponsor: Tom Dermody, R-LaPorte

- Makes it a Class B infraction to possess, purchase, sell, offer to sell, or use powdered or crystalline alcohol. Establishes exceptions.
- Urges the legislative council to assign to the public policy interim study committee topics related to powdered or crystalline alcohol.

Death Penalty Aggravator (SEA 8, P.L. 198)

Author: Brent Steele, R-Bedford

Sponsor: Casey Cox, R-Fort Wayne

- Makes a murder eligible for the death penalty if the murder involved decapitating or attempting to decapitate the victim while the victim was still alive.

Statute of Limitations for Rape (SEA 94, P.L. 72)

Author: Mike Crider, R-Greenfield

Sponsor: Bob Cherry, R-Greenfield

- Provides that a rape charge otherwise barred by the statute of limitations may be brought within five years of the time that: (1) the state first discovers DNA evidence sufficient to charge the offender; (2) the state first becomes aware of the existence of a recording that provides evidence sufficient to charge the offender; or (3) a person confesses to the offense.

Definition of Sexual Conduct (SEA 313, P.L. 80)

Author: Randy Head, R-Logansport

Sponsor: Cindy Kirchhofer, R-Beech Grove

- Adds exhibition of the female breast to the definition of "sexual conduct" for purposes of the law concerning child exploitation and child pornography.

Shotguns (SEA 433, P.L. 84)

Author: Jim Tomes, R-Wadesville

Sponsor: Jim Lucas, R-Seymour

- Repeals the prohibition against manufacturing, importing, selling, or possessing a sawed-off shotgun. Provides for a 10 year sentence enhancement if a person possesses a sawed-off shotgun in violation of federal law while committing certain offenses.
- Makes conforming amendments.

Compression Release Engine Brakes (SEA 437, P.L. 168)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Randy Truitt, R-West Lafayette

- Provides that it is a Class C infraction for a person to drive a motor vehicle equipped with compression release engine brakes unless the motor vehicle is equipped with a muffler in good working condition so that excessive noise is prevented, with certain exceptions.

Serious Sex Offenders (SEA 522, P.L. 235)

Author: Frank Mrvan, D-Hammond

Sponsor: Ben Smaltz, R-Auburn

- Defines "serious sex offender."
- Makes entry on school property by a serious sex offender a Level 6 felony.
- Provides that a serious sex offender is entitled to vote by mail.
- Requires the department of correction to inform a serious sex offender at the time of discharge from the department: (1) that a serious sex offender who knowingly or intentionally enters school property commits unlawful entry by a serious sex offender, a Level 6 felony; and (2) of voting options for the serious sex offender.

Fire Prevention and Building Safety (SEA 556, P.L. 86)

Author: Carlin Yoder, R-Middlebury

Sponsor: Randy Frye, R-Greensburg

- Changes the definition of "building law" to include a law governing sanitary conditions and sanitary facilities in elementary and secondary school buildings and on the school grounds.
- Allows the fire prevention and building safety commission to adopt temporary rules in a manner provided for the adoption of emergency rules to administer the regulation of sanitary conditions and sanitary facilities in elementary and secondary school buildings and on the school grounds.
- Allows the division of fire and building safety to designate a qualified third party inspector or inspection agency to act as the division's agent for inspections of regulated boilers and pressure vessels.
- Repeals statutes that do the following: (1) Allow the state department of health to regulate construction and remodeling of school buildings and establishes requirements for school buildings and grounds. (2) Make it a Class B misdemeanor to transfer materials that do not

comply with the requirements established in subdivision (1). (3) Make it a Class B misdemeanor to recklessly violate the requirements established in subdivision (1).

Various Criminal Law Matters (SEA 559, P.L. 238)

Author: R. Michael Young, R-Indianapolis

Sponsor: David Frizzell, R-Indianapolis

- Adds unlawful possession of a firearm by a serious violent felon to the definition of "crimes of violence."
- Establishes new caps for consecutive sentences that result from a single episode of criminal conduct.
- Defines "emergency medical services provider."
- Provides that a person is a habitual offender if the state proves the person has been convicted of three prior unrelated felonies of any level.
- Allows the state to seek to have a person who allegedly committed a felony or misdemeanor, other than certain offenses, sentenced to an additional fixed term of imprisonment of between five and 20 years if the state can show beyond a reasonable doubt that the person, while committing the felony or misdemeanor, knowingly or intentionally: (1) pointed a firearm; or (2) discharged a firearm; at an individual whom the person knew, or reasonably should have known, was a police officer.
- Makes technical corrections.

Environmental

Environmental Variances and Other Matters (HEA 1350, P.L. 147)

Author: Dave Wolkins, R-Winona Lake

Sponsor: Ed Charbonneau, R-Valparaiso

- Makes the following changes concerning variances from environmental rules: (1) If a variance would be in effect for more than one year: (A) the application for the variance must include a demonstration of how the applicant would come into compliance with the rule within the period for which the variance would be in effect; and (B) the variance, if granted, must include a compliance schedule requiring that compliance be achieved while the variance is in effect; and (C) the variance may be revoked for failure to comply with the compliance schedule. (2) Eliminates the renewal of variances, except for variances from certain water quality standards.
- Authorizes the department of environmental management (department) to require the submission of information or documents electronically.
- Requires the department to offer certification examinations for certain water treatment plant operator and water distribution system operator certifications at least once per year.
- Authorizes the commissioner of the department to authorize independent third parties to administer additional certification examinations.
- Allows the commissioner to provide certain notices to persons by a means other than by mail.

- Provides that the offsite location of compensatory mitigation required of a person proposing a wetland activity in a state regulated wetland may be within a designated service area established in an approved in lieu fee mitigation program.
- Provides for solid waste disposal fees and state solid waste management fees to be remitted to the department on a quarterly basis and for hazardous waste disposal fees to be paid to the department on or before March 1 of the year following the year in which they accrue.
- Provides that a recycler that elects to report its recycling activities on an annual basis shall, before March 1 of 2016 and of each succeeding calendar year, submit to the commissioner a report on the recycling activities conducted by the recycler during the previous calendar year.
- Eliminates the requirement that a manufacturer of video display devices report annually to the department the total weight of video display devices sold to households.

Invasive Species Council (HEA 1501, P.L. 27)

Author: Jim Baird, R-Cloverdale

Sponsor: Jean Leising, R- Oldenburg

- Extends the expiration date of the invasive species council from July 1, 2015, to July 1, 2023. Makes technical changes.

Recovery of Remedial Action Oversight Costs (SEA 311, P.L. 49)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: Greg Beumer, R- Modoc

- Amends the definitions of the terms "remedial action," "removal" and "response" to provide that those definitions apply to the law concerning releases of petroleum.
- Provides that an agreement that the commissioner of the department of environmental management enters into with a potentially responsible person concerning removal and remedial action at a contaminated site may allow the commissioner to obtain reimbursement of oversight costs incurred by the department in reviewing the removal and remedial action undertaken by the potentially responsible person.

Tank Reporting and Water Threat Minimization (SEA 312, P.L. 112)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: Eric Koch, R-Bedford

IACT Comments: SEA 312 is in response to a chemical spill from a business in West Virginia that occurred upstream from a water intake and treatment and distribution center. The 7,500 gallon chemical spill resulted in around 300,000 residents without access to potable water for several days. SEA 312 seeks to be proactive in mitigating any future chemical spills in Indiana by identifying what is being stored and where. It also requires public water systems that use surface water as a source of drinking water to develop and maintain surface water threat minimization and response plans and submit the plans to the Indiana Department of Environment Management every 5 years. plans are required to include: (1) An identification of critical drinking water intake facilities, including specific locations of wells, intake structures, and critical drinking water distribution infrastructure; (2) An identification of potential threats to raw water quality; (3) An

assessment of the risks posed by potential threats identified; (4) A communication, education, and risk minimization plan and (5) An incident response plan.

- Requires the owner or operator of an above ground storage tank (AST) that is designed to contain more than 660 gallons of liquid to report certain information about the AST to the department of environmental management (department) before January 1, 2016.
- Establishes certain exceptions from this reporting requirement.
- Requires the environmental rules board to adopt rules concerning the reporting requirement.
- Requires a person who is responsible for operation of a public water system that uses surface water as a source of drinking water to develop a surface water quality threat minimization and response plan for the public water system and to submit the report to the department.
- Requires the environmental rules board to adopt rules concerning surface water quality threat minimization and response plans.

Lake County Solid Waste Management District (SEA 390, P.L. 83)

Author: Rick Niemeyer, R-Lowell

Sponsor: Hal Slager, R- Schererville

- Provides that the county executive of Lake County, in response to a recommendation submitted by the solid waste management district of the county, may adopt a resolution: (1) confirming the authority of the solid waste management district to exercise certain powers concerning final disposal facilities or borrowing in anticipation of taxes as proposed in the recommendation; or (2) denying the solid waste management district the authority to exercise the powers as proposed in the recommendation.
- Provides that the solid waste management district is authorized to exercise the powers as proposed in a recommendation if: (1) the county executive adopts a resolution confirming the solid waste management district's authority; or (2) the county executive adopts no resolution within 45 calendar days after the day on which the solid waste management district submits the recommendation to the county executive.

Various Tax Matters (SEA 441, P.L. 250)

Author: Brant Hershman, R-Buck Creek

Sponsor: Todd Huston, R-Fishers

- Eliminates the World War I veteran property tax deduction for property taxes imposed for an assessment date after 2015.
- Provides that the equipment eligible for the double direct sales tax exemption includes material handling equipment purchased for the purpose of transporting materials into production activities from an onsite location.
- Provides that: (1) the cutting of steel bars into billets; and (2) the felling of trees for further use in production or for sale in the ordinary course of business; is to be treated as processing of tangible personal property for purposes of the double direct sales tax exemption for certain manufacturing activities.

- Eliminates the taxation of income that is attributed to a state that does not have an income tax (the "throwback rule").
- Specifies that gross receipts derived from the sale of computer software shall be treated as sales of tangible personal property.
- Increases the maximum amount of the state income tax deduction for federal civil service annuity income to \$8,000 for 2015 and \$16,000 for 2016 and thereafter. Provides that the deduction is also available to a surviving spouse.
- Extends the sunset date of the venture capital investment tax credit and the Hoosier business investment tax credit from January 1, 2017, to January 1, 2021.
- Provides that upgrading or building passing lines or automated switches on a rail line is an eligible logistics investment for purposes of the Hoosier business investment tax credit.
- Provides that, in the case of the Hoosier business investment tax credit, the Indiana economic development corporation (IEDC) may under a written agreement accelerate payment (at a discounted amount) of any unused excess tax credit that certain taxpayers would otherwise be eligible to carry forward to a subsequent tax year.
- Provides that the total amount of such accelerated tax credits that the IEDC may approve may not exceed \$17 million in a state fiscal year.
- Provides that after December 31, 2015, qualified investments for purposes of the community revitalization enhancement district tax credit do not include a taxpayer's expenditures made on property that is classified as residential for property tax purposes.
- Eliminates various add backs for purposes of determining Indiana adjusted gross income.
- Provides that business income is all income apportionable to the state under the Constitution of the United States.
- Eliminates various income tax deductions, exemptions, and credits.
- Broadens the add back to Indiana adjusted gross income related to intercompany interest expenses.
- Provides that in addition to any appropriations made in HEA 1001-2015, there is appropriated from the state general fund to the department of correction \$9,000,000 in the state fiscal year beginning July 1, 2016, for community corrections programs.

Alcoholic Beverage Permits (SEA 515, P.L. 121)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: Ed Soliday, R-Valparaiso

IACT Comments: SEA 515 requires a city or town council to enter into a formal written commitment with a restaurant that holds an alcoholic beverage permit in a historic area, riverfront development area, motorsports investment district, or qualified motorsports facility regarding the character or type of business that will be conducted on the permit premises. The municipality must also adopt an ordinance approving the formal written commitment and recommend to the Alcohol and Tobacco Commission (ATC) sites that are eligible for permits. The requirement to enter into written commitments is limited to where such ordinances have already been adopted. If the character or type of business violates the formal written commitment, the city or town may adopt a recommendation to the ATC to hold a hearing to either deny the renewal of the permit or revoke the permit from the holder.

- Allows the alcohol and tobacco commission (commission) to issue: (1) eight new three-way permits to sell alcoholic beverages for on-premise consumption to applicants who are proprietors of restaurants located within, or not more than 1,500 feet from, a motorsports investment district; and (2) two new three-way permits to sell alcoholic beverages for on-premise consumption for premises located within a qualified motorsports facility.
- Requires, as a condition of eligibility for certain: (1) three-way, two-way, and one-way alcoholic beverage permits issued in a historic area; (2) three-way, two-way, and one-way alcoholic beverage permits issued in a municipal riverfront development project area; (3) three-way alcoholic beverage permits issued in a motorsports investment district area; and (4) three-way alcoholic beverage permits located within a qualified motorsports facility; that a municipal legislative body enter into a formal written commitment with the permit applicant regarding the character and type of business for which the permit is issued.
- Limits the applicability of language concerning formal written commitments and certain permits to units where ordinances have been adopted requiring a formal written commitment.
- Provides that the commission has discretion to deny an application to renew a certain permit or revoke certain permits.
- Provides that a formal written commitment: (1) may not be limited or restricted; and (2) is terminated at the time a permit is lost, revoked, or not renewed. Specifies that the ownership and location of a permit may not be transferred.
- Provides that if business operations cease at the location for which the permit was issued for more than six months, the permit reverts to the commission.
- Requires the commission to deny the renewal of a permit or revoke a permit if the written commitments are violated.
- Provides that if alcoholic beverages are sold within the Indiana Dunes State Park, the alcoholic beverages may be consumed within 100 feet of the pavilion and the pavilion parking lot.

Municipal Finance Policy

[State Biennial Budget \(HEA 1001, P.L. 213\)](#)

Author: Tim Brown, R-Crawfordsville

Sponsor: Luke Kenley, R-Noblesville

IACT Comments: The biennial budget contains many provisions that impact cities and towns. First, it increases the fee for State Board of Accounts' audits of local unit of government from \$45 per day to \$175 per day. As a protection, the fees collected for audits must be deposited in the State Board of Accounts Trust and Agency Fund, which is a dedicated fund that can only be used to cover the expenses of conducting audits of local units. Second, it fully funds the Regional Cities Initiative by guaranteeing the first \$84 M of a tax amnesty program to the Indiana Regional Cities Development Fund. It also requires the Statewide 911 Board to hold distributions in reserve until counties come into compliance with the requirement of a maximum of two PSAPs. Finally, it contains clean up language from HEA 1019, which repeals the Common Construction Wage and adds additional requirements for contractors working on public works projects.

- Increases the fee for taxing units for State Board of Accounts audits from \$45 per day to \$175 per day.
- Provides that fees collected for audits are to be deposited in the State Board of Accounts Trust and Agency Fund and makes the fund a dedicated fund that can be used to cover expenses of doing audits.
- Requires the Department of State Revenue to establish a tax amnesty program with the first \$84 M collected deposited into the Indiana Regional Cities Development Fund.
- Delays until July 1, 2016, the application of the following requirements to public works projects that were in HEA 1019-2015: (1) That a contractor be qualified by the Department of Administration or the Department of Transportation before doing any work on a public works project. (2) That a contractor that employs 10 or more employees provide access to an appropriate training program. (3) That a tier 1 or tier 2 contractor that employs 50 or more journeymen participate in an apprenticeship or training program for those employees. (4) That a contractor that is awarded a public works contract with an estimated cost of at least \$150,000 by a public subdivision have an employee drug-testing program.
- Reduces the "small project" cap for political subdivision public works projects from \$300,000 to \$250,000. It also adds programs of additional federal and state agencies to the list of acceptable training programs and specifies that a contractor submit employee E-Verify information to the public agency letting the public works contract.
- Establishes a program to provide matching grants to the Northwest Indiana Regional Development Authority for projects extending the Chicago, South Shore and South Bend Railway.
- Requires the Statewide 911 Board to hold distributions in reserve until the county complies with the requirement of a maximum of two PSAPs.
- Allows the Budget Agency to transfer \$100 M from the State General Fund to the Major Moves Trust Fund each year of the biennium.

Food and Beverage Taxes (HEA 1044, P.L. 254)

Author: Alan Morrison, R-Terre Haute

Sponsor: Phil Boots, R- Crawfordsville

IACT Comments: HEA 1044 authorizes the fiscal body of the town of Rockville to adopt a food and beverage tax not to exceed 1% and specifies the permissible uses of the tax revenue. It also authorizes the fiscal body of Orange County to adopt a food and beverage tax not to exceed 1% and specifies the permissible uses of the tax revenue. Furthermore, it urges the legislative council to assign to a study committee the topic of whether a uniform food and beverage tax should be enacted into law to allow local governments to adopt such a tax. This study committee is one that IACT will be watching closely this summer as statewide authority to have such a discussion at home has been a cornerstone initiative for many years. All local units of government ought to be playing on a level playing field.

- Authorizes the fiscal body of the town of Rockville to adopt a town food and beverage tax. Provides that the tax rate may not exceed 1%. Specifies the purposes for which the Rockville food and beverage tax may be used.
- Authorizes the fiscal body of Orange County to adopt a food and beverage tax of not more than 1%. Specifies the permissible uses of the tax revenue.

- Urges the legislative council to assign to a study committee the topic of whether a uniform food and beverage tax should be enacted into law to allow local governments to adopt such a tax.

Financial Examinations and the State Board of Accounts (HEA 1104, P.L. 181)

Author: Matt Lehman, R-Berne

Sponsor: Randy Head, R-Logansport

IACT Comments: This is the State Board of Accounts bill that allows them to move to a “Needs and Risk-Based” system for determining the frequency of audits. Current law requires annual audits, but a lack of funding and insufficient staffing levels have made that unattainable. IACT worked with SBOA to define “need” so that any unit who issues bonds, receives federal grants or has continuing disclosure requirements shall receive an audit annually. “Risk” criteria for triggering an audit are more subjective based on SBOA findings. Under the new law, units must receive an audit at minimum every four years. The SBOA also pushed for an increase in audit fees from \$45 per day to \$175 per day. This fee increase is contained in HEA 1001. IACT supported the fee increase so long as certain provisions passed, including a separate fund for the fees to promote greater transparency (HEA 1001) and other provisions in HEA 1001.

- Permits the state board of accounts to determine the frequency with which the state board of accounts conducts financial examinations based on risk based criteria approved by the audit and financial reporting subcommittee of the legislative council.
- Eliminates the requirement that the state examiner must annually furnish forms and instructions to reporting officers.
- Specifies that certain examinations by the state board of accounts may (rather than must, under current law) be made without notice.
- Provides that the state board of accounts may only release examination workpapers and investigation records to certain persons.
- Provides a procedure for a public entity (other than a school corporation, a university, or a consolidated city) that has an internal control officer and an internal control department to have examinations performed by a certified public accountant instead of the state board of accounts.
- Adds provisions for allowing a public entity to have an examination: (1) conducted outside the time frame provided for by statute or state board of accounts guidelines, due to federal requirements, continuing disclosure requirements, or as a condition of a public bond issuance; or (2) conducted in accordance with generally accepted accounting principles.
- Provides that the results of an examination of the state board of accounts are confidential until approved and released for publication by the state examiner. Permits disclosure under certain circumstances.
- Provides that an executive or a fiscal officer of a unit may establish a fraud hotline telephone number that the public may use to report suspected fraudulent activity concerning officers or employees of the unit. Provides that: (1) the identity of a caller to a fraud hotline; and (2) a report, transcript, audio recording, or other information obtained from a fraud hotline; are exempt from public disclosure.

- Provides that an audit of an enhanced prepaid wireless seller regarding collection and remittance of enhanced prepaid wireless charges must be conducted either: (1) jointly by the department of state revenue and the statewide 911 board; or (2) by an independent auditor engaged by the statewide 911 board. Under current law, the audit must be conducted jointly by the department and the statewide 911 board.

Tax Issues (HEA 1142, P.L. 36)

Author: Koch, R-Bedford

Sponsor: Brandt Hershman, R-Buck Creek

- Specifies that the legislative services agency (rather than the commission on state tax and financing policy or its successor committee, under current law) shall before October 1 of each year conduct the review, analysis, and evaluation of all tax incentives under House Enrolled Act 1020-2014, according to a schedule developed by the legislative services agency.
- Requires the legislative services agency to submit the results of the review, analysis, and evaluation to the legislative council and the interim study committee on fiscal policy.
- Requires the interim study committee on fiscal policy to hold an annual public hearing after September 30 and before November 1 of each year at which: (1) the legislative services agency presents its review, analysis, and evaluation of tax incentives; and (2) the interim study committee receives information concerning tax incentives.
- Requires the interim study committee on fiscal policy to submit to the legislative council any recommendations made by the interim study committee that are related to the legislative services agency's review, analysis, and evaluation of tax incentives prepared under this section.
- Requires the legislative services agency to provide information to be used by the general assembly to make certain determinations regarding tax incentives. Current law requires the legislative services agency to make these determinations.
- Requires the legislative services agency to prepare and publish a tax expenditure report before November 1 of each even numbered year. Specifies the required elements of the tax expenditure report.
- Repeals the home insulation deduction and the solar powered roof vent and fan deduction.

Local Government Investments (HEA 1281, P.L. 139)

Author: Ed Soliday, R-Valparaiso

Sponsor: Carlin Yoder, R-Middlebury

- Provides that a political subdivision (other than a township) is not required to deposit funds on the next business day following receipt of the funds if the funds on hand do not exceed \$500. Under current law, a political subdivision (other than a township) must deposit funds not later than the next business day following the receipt of the funds regardless of the amount.
- Increases the current threshold amount for the legislative branch to be required to deposit funds on the next business day from \$100 to \$500.

- Provides that if the proceeds from the sale of a capital asset owned by a political subdivision exceed \$50,000,000, the fiscal body of the political subdivision may do the following: (1) Require some or all of the proceeds to be deposited into a separate fund. (2) Authorize the proceeds to be invested in the same manner as money in the next generation trust fund may be invested, and if so invested, all money that is in a deposit account and not in some other form of investment must be deposited in one or more designated depositories of the political subdivision in the same manner as other public funds of the political subdivision are deposited.
- Specifies that an expenditure or transfer of any money that is part of the principal of the fund may be made only if the expenditure or transfer is approved by each member of the fiscal body of the political subdivision and by each member of the executive of the political subdivision.
- Provides that in the case of a county that receives or will receive at least \$50,000,000 from the sale of a capital asset, the county legislative body and the county fiscal body may, by adopting substantially similar ordinances, establish a charitable nonprofit foundation to hold some or all of the proceeds of the sale of the capital asset in trust for the benefit of the county.
- Requires the political subdivision and the foundation to enter into an agreement with a registered investment advisor regarding investment of the proceeds and the agreement must be a fee-for-service agreement.
- Specifies that the board of trustees of the foundation consists of the members of the county legislative body and the members of the county fiscal body.
- Provides the following if a foundation is established: (1) Money must be invested in accordance with the terms of an investment policy statement developed by the board of trustees with the investment advisor. (2) The investment policy statement must require diversification, risk management, and other fiduciary requirements common to the management of charitable foundations, including that the funds of the foundation must be invested according to the prudent investor rule. The investment policy statement may not allow the foundation to invest in any investments in which the political subdivision that established the foundation is not permitted to invest under the Constitution of the State of Indiana. (3) Money held by the foundation may be invested in any legal, marketable securities, and is not subject to any other investment limitations in the law (other than the limitations contained in the statute authorizing such an investment and the restrictions contained in the investment policy statement). (4) The total amount of the funds invested by the foundation in equity securities may not exceed 55% of the total portfolio value. (5) The foundation must be audited annually by an independent third party auditor. (6) The board of trustees must meet at least quarterly to receive a quarterly compliance and performance update from the investment advisor. (7) Three nonvoting advisors who are officers of different county designated depositories shall be appointed by those depositories to attend the quarterly meetings and assist the board of trustees in reviewing the compliance and performance report and the annual audit.
- Provides that an expenditure or transfer of any money that is part of the principal of the donation may be made only upon unanimous approval of the board of trustees.
- Provides that to the extent that investment income earned on the principal amount of the donation during a calendar year exceeds 5% of the amount of the principal at the beginning

of the calendar year, that excess investment income shall be added to and be considered a part of the principal amount of the donation.

Standard Deduction Eligibility (HEA 1283, P.L. 25)

Author: Cherish Pryor, D-Indianapolis

Sponsor: Brandt Hershman, R-Buck Creek

- Specifies that, to be eligible for a homestead deduction for property that an individual is buying under contract, the contract must obligate the owner to convey title to the individual upon completion of all of the individual's contract obligations.

Property Tax Matters (HEA 1388, P.L. 148)

Author: Dan Leonard, R-Huntington

Sponsor: Ryan Mishler, R-Bremen

- Specifies that if a taxpayer files an amended personal property tax return for a year: (1) before July 16 of that year, the taxpayer shall pay the taxes payable in the immediately succeeding year based on the assessed value reported on the amended return; or (2) after July 15 of that year, the taxpayer shall pay the taxes payable in the immediately succeeding year based on the assessed value reported on the original personal property tax return.
- Requires a public utility company to file its property tax return with the department of local government finance (DLGF) on or before April 1 rather than March 1, under current law.
- Provides that on or before July 1 of each year, for years ending before January 1, 2017, and on or before June 15, for years beginning after December 31, 2016, rather than June 1 under current law, the DLGF shall certify to the county assessor and the county auditor of each county the distributable property assessed values that the DLGF determines are distributable to the taxing districts of the county.
- Deletes a provision in current law requiring a county auditor to cancel a standard deduction for a homestead under certain circumstances in which: (1) the taxpayer acquires an interest in or contracts to purchase a second homestead after the assessment date; and (2) on the assessment date, the property on which that second homestead is located was vacant land or the construction of the dwelling that constitutes the second homestead was not completed.
- Removes requirements for the DLGF to adopt rules for the administration of certain property tax deductions and exemptions.
- Voids certain department of local government finance rules.
- Specifies that the calculation of the amount of the levy for a debt service fund is based on a budget year instead of an ensuing year under current law.
- Provides that the maximum amount allowed for an operating balance in a debt service fund is the sum of the maximum allowable operating balance for each debt included in the debt service fund.
- Provides that a common area is exempt from property taxation. Defines "common area" as a parcel of land in a residential development that: (1) is legally reserved for the exclusive use and enjoyment of all lot owners; (2) is owned by the developer, or each lot owner, or a person or entity that holds title to the land in a fiduciary capacity for the benefit of the lot owners; (3) cannot be transferred for value to another party without the approval of the lot

owners; (4) does not include a Class 2 structure; and (5) is not designed or approved for the construction of a Class 2 structure.

- Provides that certain tangible property is exempt from property taxation if the tangible property is owned by an agricultural organization that is exempt from federal income taxation under Section 501(c)(5) of the Internal Revenue Code. Provides that the exemption is retroactive to the 2011 assessment date.
- Provides that eligible taxpayers may submit exemption applications before September 1, 2015, for property tax exemptions for eligible properties with respect to the 2011 through 2015 assessment dates.
- Provides that an eligible taxpayer is entitled to a property tax exemption if the county assessor finds that the parcel would have qualified for an exemption if the retroactive exemption had been in place on the covered assessment dates.
- Provides that an eligible taxpayer is entitled to a refund for any back taxes, penalties, and interest paid with respect to the eligible property. Provides that refunds may be paid in two annual installments.
- Requires the county property tax assessment board of appeals to send notice of a scheduled hearing on a review of an assessment or deduction to a taxpayer's representative.
- Specifies that the statute governing homeowners associations established after June 30, 2009, applies only to homeowners associations authorized to impose mandatory dues on their members.

Specifies that an Attorney Employed by a State Agency is Subject to the Attorney-Client and Work Product Privileges (HEA 1472, P.L. 242)

Author: Sharon Negele, R-Attica

Sponsor: Brandt Hershman, R-Buck Creek

IACT Comments: HEA 1472 contains several provisions, but one in particularly important to local governments. This year, in SEA 436, the tax on business personal property was eliminated for small businesses (with equipment acquisition cost of \$20,000 or less). In HEA 1472, however, there is an option for the county council to adopt a flat fee replacement tax for these businesses amounting to \$50. You will want to talk to your county council about enacting an ordinance for this replacement revenue.

- Permits a county council to impose a local service fee on each person that has business personal property exempt from taxation because the person's business personal property in the county has an acquisition cost of less than \$20,000.
- Authorizes the department of local government finance (DLGF) to increase the maximum property tax levy of Brown Township, Jackson Township, and Blue River Township in Hancock County if the township submits a petition to the DLGF requesting the increase. Specifies the maximum increase that may be granted.
- Allows Brown County to impose an additional property tax levy of \$478,115 each year in 2016 and 2017.
- Defines "licensed practitioner" for purposes of the sales and use tax law.
- Specifies that the definition of "storage" for purposes of the use tax does not include temporary storage of property for not more than 180 days for the purpose of the subsequent use of the property solely outside Indiana.

- Removes the 36 month rolling time limit on filing refund claims for utility purchases exempt from sales and use tax.
- Amends the sales tax exemption for medical equipment, supplies, and devices to: (1) restate the application of the sales tax exemption for medical equipment, supplies, and devices; and (2) provide a sales tax exemption for food, food ingredients, and dietary supplements that are sold by a licensed practitioner or pharmacist.
- Amends the sales tax exemption for drugs, insulin, oxygen, blood, or blood plasma to restate the application of the sales tax exemption.
- Repeals the sales tax exemption for food and food ingredients prescribed as medically necessary by a physician.
- Amends the definition of "research and development activities" for purposes of the sales tax exemption for research and development equipment and property.
- Modifies the sales tax exemption for receiving recycling materials. Adds recycling carts to the sales tax exemption for certain recycling equipment.
- Makes changes regarding sales or use tax collection and manufacturers that have meters exempt or partially exempt from sales and use tax.
- Provides guidance on when a retail merchant's certificate may be revoked.
- Updates references to the Internal Revenue Code.
- Provides that "base amount" and "qualified research expense" for purposes of the state research expense income tax credit have the same meaning as those terms are defined under the Internal Revenue Code and that the federal research and development credit used for purposes of calculating the Indiana research expense income tax credit is the same as the federal research and development credit allowed under the Internal Revenue Code.
- Removes outdated references to earned income tax advance payments.
- Provides that, when construction of jail facilities are complete and bonds and leases are fully paid, the county adjusted gross income tax rate in Marshall County shall be established at a rate such that the revenue from the tax does not exceed the costs of operating and maintaining the jail facilities.
- Authorizes Tipton County to impose an additional county adjusted gross income tax rate of not more than 0.4% for constructing and equipping a jail and related facilities and renovating the county courthouse. Authorizes Rush County to impose an additional county adjusted gross income tax rate of not more than 0.6% for constructing, equipping, operating, and maintaining a jail and related facilities.
- Provides that the maximum combined county economic development income tax (CEDIT) and county option income tax (COIT) rates in Greene County may not exceed 1.25% rather than 1%, under current law.
- Reduces the maximum public safety local option income tax (LOIT) rate otherwise applicable (0.25%) in Greene County by the amount that the combined CEDIT and COIT tax rates exceed 1%.
- Requires an employer to file annual withholding tax reports (Form WH-3) not later than 31 days after the end of the calendar year.
- Amends the definition of "captive insurer" for insurance regulation and taxation purposes.
- Permits the department to deny an application for a motor carrier in certain situations.
- Requires the department to enter into an agreement with the fiscal officer of a capital improvement board of managers to provide the fiscal officer with certain information.

- Establishes standards governing the date by which a taxpayer must notify the department of state revenue (department) of a modification of a taxpayer's federal income tax return or tax liability for a taxable year.
- Makes changes concerning the withholding of income taxes for nonresident partners, shareholders, and trust beneficiaries.
- Provides that the time limit to appeal: (1) letters of findings; and (2) a denial of a refund claim; may be extended according to terms of a written agreement.
- Aligns the administrative procedures for protesting refund denials and proposed assessments.
- Provides that the interest required to be paid on an overpayment of tax begins to accrue: (1) on the date the tax was due; or (2) the date the tax was paid; whichever is later.
- Provides that a tax judgment may be released and a tax warrant expunged if the commissioner of the department determines that the release of the tax judgment and the expungement of the tax warrant are in the best interest of the state.
- Requires the department to adopt rules to define the circumstances under which a release and expungement may be granted based on a finding that the release and expungement would be in the best interest of the state.
- Authorizes the DLGF to increase the maximum school corporation transportation fund levy for the New Durham Township School Corporation and the North Vermillion Community School Corporation, if the school corporation submits a petition to the DLGF requesting the increase. Specifies the maximum increase that may be granted.
- Provides that a tax increment financing area established by a redevelopment authority that has a United States government military base that is scheduled for closing or is completely or partially inactive or closed does not expire before July 1, 2016.
- Requires the legislative services agency to conduct a study to determine the amount of statutory tax relief that C corporations have realized in the calendar years from 2011 through 2014 and are anticipated to realize from 2015 through 2021. Requires the legislative services agency to submit a report of the study by December 31, 2016.
- Requires the department of state revenue to: (1) study the department's current information systems; (2) develop a plan for modernizing the department's information systems; and (3) submit a report of the study and plan to the budget committee and the legislative council.

Statewide 911 System (HEA 1475, P.L. 157)

Author: Mike Karickhoff, R-Kokomo

Sponsor: Brandt Hershman

IACT Comments: One of IACT's Cornerstone Initiative's passed in HEA 1475 after several years of work. HEA 1475 eliminates the requirement that a local government adopting body (county council or county income tax council) must first pass a property tax relief local option income tax (LOIT) before it can pass the Public Safety LOIT (which can be passed at a rate of .25% and is new revenue). In addition, HEA 1475 contains several position which will be helpful with public service answer point (PSAP) consolidation. It also provides for a 911 fee increase on landline telephones, cell phones and prepaid phone products.

- Removes the requirement that a county council (for a county adjusted gross income tax) or a county income tax council (for a county option income tax) must impose certain

additional tax rates as a condition of imposing an additional tax rate for public safety (public safety LOIT).

- Provides that in a county in which a public safety LOIT is not in effect on July 1, 2015, the county council or county income tax council (as appropriate) may adopt a resolution providing that up to 100% of the tax revenue from a public safety LOIT imposed by a county shall be dedicated to a PSAP in the county that is part of the statewide 911 system.
- Provides that in a county in which a public safety LOIT is in effect on July 1, 2015, the county council or county income tax council (as appropriate) may adopt a resolution providing that up to 100% of the public safety LOIT tax revenue derived from the part of the tax rate that exceeds the tax rate in effect on July 1, 2015, shall be dedicated a PSAP in the county that is part of the statewide 911 system.
- Authorizes the fiscal bodies of a county and another political subdivision that are parties to a contract under which the county has assumed the responsibility of operating a PSAP to jointly petition the department of local government finance to adjust the maximum property tax levies of the respective units.
- Increases the enhanced prepaid wireless charge from \$0.50 to \$1.
- Increases the statewide 911 fee for a standard user from \$0.90 to \$1.
- Provides that: (1) the statewide 911 board (board) may increase the enhanced prepaid wireless charge and the statewide 911 fee only one time after June 30, 2015, and before July 1, 2020 (and only after review by the budget committee); and (2) if the charge or fee is increased, the amount of the increase must be ten cents.
- Establishes a \$1 enhanced prepaid wireless charge, a \$1 statewide 911 fee, and payment schedules for providers that are designated as eligible telecommunications carriers for purposes of receiving reimbursement from the universal service fund.
- Authorizes the board to audit wireless telecommunications service providers on an annual basis to determine compliance with statewide 911 laws.
- Beginning with the 2016 fiscal year, requires the board to ensure a distribution of statewide 911 fees to each county in an amount equal to the amount distributed to the county in the 2014 fiscal year.
- Requires PSAPs to provide an annual report to the board concerning dispatch costs and funding.
- Requires the board to forward the report to the general assembly.

Local Taxation (HEA 1485, P.L. 243)

Author: Jeff Thompson, R-Lizton

Sponsor: Brandt Hershman, R-Buck Creek

IACT Comments: HEA 1485 sets in motion a plan to reform local option income taxes, yet still keep the distributions and uses the same. The legislation calls for all local option income taxes (CAGIT, COIT, EDIT, the public safety LOIT) to be renamed “LIT” or Local Income Taxes. There is still much discussion and review to be done on this proposal, therefore, the effective date is not until 2017, so that more study can occur in the interim and further adjustments can be made next session.

- Provides for a transition from the county adjusted gross income tax (CAGIT), the county option income tax (COIT), the county economic development income tax (CEDIT), and the various local income taxes for special purposes and special projects to a single local income tax with three rate components. Retains special distributions. Specifies that the transition is to take effect in 2017.
- Provides for a report by the office of management and budget to the legislative council in 2015 showing the effect of the transition on taxing units and taxpayers.
- Authorizes Rush County to impose a CAGIT tax rate for the construction, renovation, operation, or maintenance of a county jail. Provides that the tax rate adopted by the county may range from 0.15% to 0.6%.
- Urges the legislative council to assign to the fiscal policy interim study committee a study of COIT councils and a review of changes to the Indiana Code that are necessary to bring provisions into conformity with this act, including those laws enacted during the 2015 regular session of the general assembly.

Gaming Matters (HEA 1540, P.L. 255)

Author: Tom Dermody, R-LaPorte

Sponsor: Ron Alting, R- Lafayette

IACT Comments: HEA 1540 authorizes live dealers at racinos beginning in 2021 upon approval by the Indiana Gaming Commission. It also authorizes riverboats to move inland to adjacent properties that meet certain requirements. HEA 1540 also urges the Legislative Council to assign to an interim study committee certain study topics related to local units of government and gaming revenue. For an example, HEA 1540 urges a summer study committee to look at the extent to which local governments rely admission taxes, wagering taxes and on supplemental distributions as well as how cities and towns spend this revenue. IACT will closely monitor these topics this summer as it is likely there will be legislation introduced in the near future.

- Specifies the process for entering into tribal-state compacts concerning Indian gaming.
- Authorizes riverboats to move inland to adjacent properties meeting certain requirements.
- Makes the promotional play deduction for riverboats and racinos permanent.
- Caps the number of gambling games offered by a licensed owner or an operating agent at the greatest number of gambling games offered since January 1, 2007, regardless of whether the licensed owner relocates gaming operations to an inland casino.
- Authorizes table games at the racinos beginning in 2021 if approved by the Indiana gaming commission.
- Provides for the use of AGR attributable to table games to support the horse racing industry.
- Provides a licensee may not offer more than 2,200 gambling games on the premises of a licensee's racetrack after January 1, 2021.
- Provides that after June 30, 2015, the racino wagering tax is based on 88% of adjusted gross receipts rather than 91.5%, under current law.
- Exempts the riverboat located in a historic hotel district from the admissions tax.
- Requires a racino licensee to pay a \$2,500,000 historic hotel district community support fee and allocates the fee among various entities.
- Changes the formula for distributing among the state and local entities the wagering taxes collected from a riverboat in a historic hotel district.

- Establishes the French Lick historic tax credit to provide a credit against the wagering tax imposed on the adjusted gross receipts of a riverboat in a historic hotel district if the riverboat did not receive more than \$80,000,000 of adjusted gross receipts during the preceding state fiscal year. Provides that the percentage of the credit depends on the amount of adjusted gross receipts during the preceding state fiscal year. Requires the revenue retained under the credit to be applied to the maintenance and operation of a historic hotel.
- Provides that \$1,000,000 is appropriated from the West Baden Springs historic hotel preservation and maintenance fund for the state fiscal year ending June 30, 2015, and that \$2,000,000 is appropriated from the West Baden Springs historic hotel preservation and maintenance fund for each state fiscal year beginning after June 30, 2015, for purposes of expenditures for a qualified historic hotel, the grounds surrounding the hotel, supporting buildings and structures related to the hotel, and other facilities used by the guests of the hotel. Under current law, only the interest accruing to the fund is annually appropriated for those purposes.
- Specifies that the wagering taxes currently being paid into the West Baden Springs historic hotel preservation and maintenance fund shall instead be paid into the state general fund.
- Imposes a food and beverage tax and a supplemental innkeeper's tax on transactions occurring at the French Lick resort. Provides that the tax revenue from the food and beverage tax and the supplemental innkeeper's tax shall be paid to the West Baden Springs historic hotel preservation and maintenance fund.
- Authorizes the county council of a county containing a historic hotel district to impose a public safety LOIT without imposing any other LOIT.
- Repeals a requirement that the gaming commission study the use of complimentary promotional credit programs.
- Urges the legislative council to assign to an interim study committee certain study topics related to gaming.

Property Tax Appeals (HEA 1603, P.L. 244)

Author: Ben Smaltz, R-Auburn

Sponsor: Randy Head, R-Logansport

IACT Comments: HEA 1603 is a great bill for cities and towns. First, it clarifies when a deadline is imposed on a city or town that is not a business day in the property tax statutes, the city or town must take the required action the first business day after the stated deadline. Second, it empowers cities and towns by requiring cities and towns to be notified when a property taxpayer appeals their property tax assessment. Third, it allows cities and towns to create a fund to help pay the costs associated with fighting a property tax appeal.

- Provides that when a deadline imposed upon a political subdivision, the department of local government finance, or the Indiana board in the property tax statutes is not a business day, the last day for the political subdivision, the department of local government finance, or the Indiana board to take the action required is the first business day after the stated deadline.

- Allows the fiscal officer of a taxing unit to establish a property tax assessment appeals fund to hold property tax receipts that are attributable to an increase in the taxing unit's tax rate caused by a reduction in the taxing unit's net assessed value as permitted under current law.
- Provides that money in the account may be used only to pay a county assessor's appeal expenses and property tax refunds.
- Provides that the balance in a taxing unit's property tax assessment appeals fund may not exceed 5% of the amount budgeted by the taxing unit for a particular year.
- Provides that money deposited in the fund is not considered miscellaneous revenue and is disregarded for purposes of determining the taxing unit's property tax levy, property tax rate, and budget.
- Provides that a county assessor shall quarterly send a notice to the fiscal officer of each taxing unit affected by a property tax appeal.
- Specifies the information that must be included in the notice.
- Provides that each township assessor (if any) shall furnish to the county assessor all requested information necessary for purposes of providing the quarterly notices.

Taxation of Internet Access (SEA 80, P.L. 44)

Author: Yoder, R-Middlebury

Sponsor: Koch, R-Bedford

- Provides that neither the state nor a political subdivision may impose, assess, collect, or attempt to collect a tax on Internet access or the use of Internet access.

Service of Process Fees Collected by Sheriff (SEA 217, P.L. 165)

Author: Phil Boots, R-Crawfordsville

Sponsor: Doug Gutwein, R- Francesville

- Requires a sheriff to collect a service of process fee of \$25 instead of \$13 from a party requesting service of a writ, an order, a process, a notice, a tax warrant, or any other paper completed by the sheriff. Provides that a sheriff may collect an additional fee of \$25 per case for post judgment service.

Controlled Projects (SEA 251, P.L. 203)

Author: Luke Kenley, R-Noblesville

Sponsor: Jerry Torr, R-Carmel

- Provides that for purposes of determining whether a capital project by a political subdivision located in Hamilton County, other than a school corporation, is a controlled project for purposes of the petition and remonstrance process or the referendum process, the cost of the project does not include any expenditures that will be paid from money that has accumulated or has been deposited by the political subdivision in a fund.
- Specifies that the political subdivision must, before the preliminary determination is made for the capital project, segregate the money as provided in a capital improvement plan, a capital development plan, or a similar plan adopted by the political subdivision. Current law also excludes any expenditures that will be paid from donations or other gifts.

- Provides that a person that owns property within a political subdivision or a person that is a registered voter residing within a political subdivision may file a petition with the department of local government finance (DLGF) objecting that the political subdivision has artificially divided a capital project into multiple capital projects in order to avoid the petition and remonstrance requirements or the referendum requirements. Current law prohibits the artificial division of capital projects for such a purpose.
- Requires the DLGF to make a final determination not later than 30 days after receiving the petition.

Horse Racing Matters (SEA 252, P.L. 256)

Author: Luke Kenley, R-Noblesville

Sponsor: Sean Eberhart, R-Shelbyville

- Requires the Indiana horse racing commission (IHRC) to promote the horse racing industry in Indiana, including its simulcast product.
- Provides that promotional costs may be paid from the breed development funds.
- Increases the amount of money in the breed development funds that may be used for IHRC expenses from 2% to 4%.
- Provides that not more than 50% of that amount may be used to pay costs incurred to promote the Indiana horse racing industry.
- Requires the IHRC to annually report and account for its promotional actions and expenditures.
- Specifies that the number of days that the IHRC shall require for: (1) standardbreds to be at least 160 days, but not more than 180 days to race at Hoosier Park; and (2) horses that are mounted by jockeys and run on a course without jumps or obstacles to be at least 120 days but not more than 150 days to race at Indiana Grand.
- Provides that the minimum salary per diem for a member of the Indiana horse racing commission equals the maximum per diem amount that an employee of the executive branch of the federal government receives.
- Changes the appointment process for members of breed development advisory committees and the process to appoint new members.
- Changes the distribution of funds to promote horses and horse racing.

Standard Deduction for Homesteads (SEA 372, P.L. 207)

Author: Patricia Miller, R-Indianapolis

Sponsor: Tim Brown, R-Crawfordsville

- Provides that after December 31, 2015, if more than one individual or entity qualifies property as a homestead for an assessment date, only one standard deduction from the assessed value of the homestead may be applied for the assessment date.

Property Tax Assessment Date Trailer (SEA 374, P.L. 245)

Author: Randy Head, R-Logansport

Sponsor: Randy Truitt, R- West Lafayette

- Corrects references to the property tax assessment date to make the law consistent with the change of the assessment date from March 1 to January 1.
- Makes corresponding changes in certain filing dates.
- Specifies how to determine the year of acquisition for depreciable tangible personal property.

Property Tax Issues (SEA 423, P.L. 248)

Author: Luke Kenley, R-Noblesville

Sponsor: Dan Leonard, R-Huntington

- Provides that, following a petition for review contesting the assessed value of tangible property, a taxpayer and a township or county official may enter into an agreement in which both parties: (1) agree to waive a determination by the county property tax assessment board of appeals (PTABOA) and submit a dispute directly to the Indiana board of tax review; or (2) agree to stipulate to the assessed value of the tangible property as determined by an independent appraisal.
- Provides certain provisions that must be included in an agreement, including provisions for selecting an independent appraiser.
- Specifies that a taxpayer and township or county official may still enter into a resolution of disputed issues following an informal meeting, notwithstanding the provisions that allow for an independent appraisal and stipulated determination.
- Requires a PTABOA, upon receipt of an agreement of the parties and an independent appraisal, to enter a stipulated determination of the assessed value of the tangible property in dispute equal to the value as determined by the independent appraisal.
- Provides that a taxpayer or a township or county official may seek review before the Indiana board of tax review of a stipulated determination entered by a PTABOA.
- Requires each PTABOA to prepare an annual report of the notices for review filed with the PTABOA in the preceding year.
- Requires the report to be submitted to the department of local government finance, the Indiana board of tax review, and the legislative services agency.
- Requires the Indiana judicial center to review the workload and backlog of cases in the Indiana tax court for calendar year 2016 and submit a report of the center's findings, analysis, and recommendations (if recommendations are made) to the legislative council before December 1, 2016.

County and Township Assessor Qualifications (SEA 426, P.L. 167)

Author: Erin Houchin, R-Salem

Sponsor: Randy Truitt, R-West Lafayette

- Removes requirements that a candidate for county or township assessor must attain a certain level assessor-appraiser certification as a condition for becoming a candidate for the office.
- Provides that an individual who has never held the assessor's office must have a level two assessor-appraiser certification before the individual assumes the office of assessor (county or township).

- Provides that an individual who has held the assessor's office must have a level three assessor-appraiser certification before the individual assumes a new term of office (county or township).
- Requires a county fiscal body to establish a salary schedule in which the salary of a county assessor who has attained a level three certification is entitled to an annual salary that is at least \$1,500 more than the salary of a county assessor who has a level two certification.
- Provides that if a county assessor who takes office with a level two certification attains level three certification not later than January 1 of the third year of the county assessor's term of office, the county assessor is entitled to the level three salary, beginning on the date the county assessor attains level three certification.
- Provides that an additional salary given to an assessor who has attained a level two or a level three certification is not eliminated but becomes a part of the assessor's annual compensation. Makes analogous changes for township assessors.
- Specifies that after June 30, 2017, an employee of the county assessor or township assessor who is responsible for placing an assessed valuation on real property must have attained the certification of a level three assessor-appraiser.
- Specifies that after June 30, 2017, if the county assessor or township assessor has not attained the level three certification, the county or township fiscal body shall authorize either: (1) the employment of at least one deputy or employee who has attained certification of a level three assessor-appraiser; or (2) contracting for the services of an individual who has attained certification of a level three assessor-appraiser to assist the elected assessor with assessment duties as determined by the assessor.
- Provides that the cost of employing or contracting for a level three assessor-appraiser shall be paid from the assessor's budget.
- Removes a provision relating to the existence of a vacancy of the office of township assessor if the township assessment duties are transferred to the county assessor.
- Repeals obsolete statutes relating to the referendum held in 2008 in townships to determine whether the township assessor's office should be maintained.

[State and Local Taxation \(SEA 436, P.L. 249\)](#)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Todd Huston, R-Fishers

IACT Comments: This is the omnibus property tax bill of session that includes many provisions. Most importantly for local government, SB 436 includes language aimed at addressing the “dark store” assessment issue that was sparked last December by the Indiana Board of Tax Review’s ruling in favor of an Indianapolis Meijer store. In that case, Meijer used old vacant Walmart and Lowes buildings located in other counties as comps to drive down their assessed value. SB 436 clarifies what is an appropriate comp for certain big box stores, among other provisions for determining assessed value. Of note, the bill specifies that a county, city or town may enter into an agreement with a taxpayer located in a TIF district, so that the taxpayer may not appeal their assessment. SB 436 also eliminates the small business personal property tax for taxpayers with \$20,000 or less assessed business personal property, with an estimated net impact of \$7-8 M loss

for locals statewide. The legislature did include an option for replacement revenue in [HEA 1472](#), which allows the county council to adopt a replacement flat fee of up to \$50.

- Provides that if a taxpayer has personal property subject to assessment in more than one township in a county or has personal property that is subject to assessment and that is located in two or more taxing districts within the same township, the taxpayer shall file a single tax return with the county assessor.
- Provides that a personal property return notice must be filed with the county assessor, and not the township assessor, of the county in which the owner resides when the personal property is located in a different county.
- Provides a property tax exemption for taxpayers with less than \$20,000 of total business personal property in a county. Removes the requirement in current law that such an exemption is effective in a county only if adopted by the county income tax council. Requires, for the \$20,000 personal property exemption, that the owner's certification be notarized and signed under penalties for perjury.
- Extends the expiration date of the law specifying the value of outdoor signs through the 2018 assessment date.
- Specifies that for purposes of property tax assessment, certain land is considered to be devoted to agricultural use. Specifies that "agricultural use" includes certain uses defined as agricultural uses for purposes of planning and zoning law.
- Provides that the soil productivity factors used for the March 1, 2011, assessment of agricultural land must be used for the March 1, 2015, assessment date. Specifies that new soil productivity factors shall be used for assessment dates occurring after March 1, 2015.
- Provides that the statewide agricultural land base rate value per acre for the 2015 assessment date is \$2,050, which is the base rate used for the 2014 assessment date.
- Provides that for the 2016 assessment date and each assessment date thereafter, the statewide agricultural land base rate value per acre is equal to the base rate value for the immediately preceding assessment date, multiplied by the assessed value growth quotient.
- Removes the provision specifying that the statute governing the assessment of agricultural land does not apply to land purchased for residential uses.
- Specifies conditions for valuing big box retail properties and commercial nonincome producing real property for property tax purposes and excludes multi-tenant income producing shopping centers from both provisions.
- Requires the Indiana board of tax review (IBTR) to recommend that the parties settle or mediate any case pending before the board as of May 1, 2015, that has not yet received a hearing if certain conditions apply.
- Urges the legislative council to assign to a study committee the topic of studying the need for a definition of the term "utility of the user" under the current property tax assessment system.
- Specifies that in the case of a change occurring after February 28, 2015, in the classification of real property, the assessor has the burden of proving that the change is correct in any review or appeal heard by the property tax assessment board of appeals (county board) and in any appeals taken to the IBTR or to the Indiana tax court.
- Allows county assessors to apply negative influence factors to determine the assessed value of land classified as residential excess land.

- Provides that the basement of a dwelling or other building that is situated in a special flood hazard area as designated by the Federal Emergency Management Agency is exempt from property taxation if: (1) the basement floor level has been elevated to mitigate the risk of flooding; and (2) as a result, the basement is rendered unusable as living space.
- Specifies that, to be eligible for a homestead deduction for property that an individual is buying under contract, the contract must obligate the owner to convey title to the individual upon completion of all of the individual's contract obligations.
- Provides that on the form forwarded by the assessor to the county auditor and the county board after a preliminary informal meeting with a taxpayer, the assessor must attest that the assessor described to the taxpayer the taxpayer's right to a review of the issues by the county board and the taxpayer's right to appeal to the IBTR and to the Indiana tax court.
- Provides that for property tax appeals for the 2014 assessment date, or before, a county auditor may pay refund claims greater than \$100,000 over a period of five years (through 2019) by using credits against future property taxes owed on the property.
- Authorizes a county fiscal body to adopt an ordinance to allow political subdivisions and local agencies within the county to use a uniform property tax disclosure form. Specifies the information that must be disclosed on the form.
- Provides that the department of local government finance (DLGF) shall: (1) review the tax rates and levies for each fire protection territory whose establishment was effective not later than July 1, 2012; (2) make recommendations to the participating units concerning their existing tax rates and tax levies; and (3) report its findings and recommendations to the legislative council.
- Deletes the requirement that a county may impose the motor vehicle license excise surtax only at the same rate or amount on each motor vehicle. Authorizes counties to: (1) impose the surtax at the same rate or amount on each motor vehicle; or (2) impose the surtax at one or more different rates based on the class of vehicle (passenger vehicles, motorcycles, trucks with a declared gross weight that does not exceed 11,000 pounds, and motor driven cycles).
- Does the following in the case of a certified technology park that is operating jointly by multiple redevelopment commissions: (1) Increases the total maximum amount of tax increment that may be captured by the certified technology park. (2) Authorizes a party to the agreement to allocate a part of the maximum amount that may be deposited in the party's incremental tax financing fund to one or more other parties to the agreement.
- Provides that a redevelopment commission may enter into a written agreement with a taxpayer in which the taxpayer waives review of any assessment of the taxpayer's tangible property that is located in an allocation area.
- Urges the legislative council to assign to a study committee the issue of alternative means of agricultural land assessment.
- Provides that for purposes of the provisions in current law concerning: (1) the designation of a township as distressed; (2) the requiring of a separate township assistance benefits levy and a separate township assistance administration levy; and (3) the transfer of municipal territory to an adjacent township after a referendum; those provisions apply to a township if the township's township assistance property tax rate is more than the result of the statewide average township assistance property tax rate for the preceding year (rather than for the current year, under existing law) multiplied by 12.

- Urges a legislative study of methods used to determine the true tax value for nonincome producing commercial property.

Various Tax Matters (SEA 441, P.L. 250)

Author: Brant Hershman, R-Buck Creek

Sponsor: Todd Huston, R-Fishers

- Eliminates the World War I veteran property tax deduction for property taxes imposed for an assessment date after 2015.
- Provides that the equipment eligible for the double direct sales tax exemption includes material handling equipment purchased for the purpose of transporting materials into production activities from an onsite location.
- Provides that: (1) the cutting of steel bars into billets; and (2) the felling of trees for further use in production or for sale in the ordinary course of business; is to be treated as processing of tangible personal property for purposes of the double direct sales tax exemption for certain manufacturing activities.
- Eliminates the taxation of income that is attributed to a state that does not have an income tax (the "throwback rule").
- Specifies that gross receipts derived from the sale of computer software shall be treated as sales of tangible personal property.
- Increases the maximum amount of the state income tax deduction for federal civil service annuity income to \$8,000 for 2015 and \$16,000 for 2016 and thereafter. Provides that the deduction is also available to a surviving spouse.
- Extends the sunset date of the venture capital investment tax credit and the Hoosier business investment tax credit from January 1, 2017, to January 1, 2021.
- Provides that upgrading or building passing lines or automated switches on a rail line is an eligible logistics investment for purposes of the Hoosier business investment tax credit.
- Provides that, in the case of the Hoosier business investment tax credit, the Indiana economic development corporation (IEDC) may under a written agreement accelerate payment (at a discounted amount) of any unused excess tax credit that certain taxpayers would otherwise be eligible to carry forward to a subsequent tax year.
- Provides that the total amount of such accelerated tax credits that the IEDC may approve may not exceed \$17 million in a state fiscal year.
- Provides that after December 31, 2015, qualified investments for purposes of the community revitalization enhancement district tax credit do not include a taxpayer's expenditures made on property that is classified as residential for property tax purposes.
- Eliminates various add backs for purposes of determining Indiana adjusted gross income.
- Provides that business income is all income apportionable to the state under the Constitution of the United States.
- Eliminates various income tax deductions, exemptions, and credits.
- Broadens the add back to Indiana adjusted gross income related to intercompany interest expenses.
- Provides that in addition to any appropriations made in HEA 1001-2015, there is appropriated from the state general fund to the department of correction \$9,000,000 in the state fiscal year beginning July 1, 2016, for community corrections programs.

Admissibility of Appraisal Reports (SEA 467, P.L. 33)

Author: Scott Schneider, R-Indianapolis

Sponsor: Wes Culver, R-Goshen

- Provides that the Indiana board of tax review shall admit into evidence an appraisal report prepared by an appraiser, unless the appraisal report is ruled inadmissible on grounds other than hearsay.

School Capital Projects Fund Tax Rate (SEA 476, P.L. 232)

Author: Randy Head, R-Logansport

Sponsor: Bill Friend, R-Macy

- Provides that when calculating the maximum rate for a school corporation's capital projects fund for taxes due and payable in calendar year 2016, the first step in the calculation (the previous year's maximum rate) shall be the larger of: (1) the actual maximum rate for the school corporation's capital projects fund for the previous year; or (2) the maximum rate that would have been established for the school corporation's capital project fund for the previous year if the formula used in current law to determine the maximum rate had been in effect for each calendar year after 2006.

Pensions

EMS Provider Death Benefit (HEA 1080, P.L. 62)

Author: Karlee Macer, D-Indianapolis

Sponsor: Phil Boots, R-Crawfordsville

- Provides a public safety officer special death benefit to an emergency medical services provider who, after June 30, 2015, dies as a direct result of personal injury or illness resulting from the provider's performance of duties under a contract entered into by the provider's employer to provide emergency medical services for a political subdivision if the provider's employer purchases coverage for all eligible emergency medical services providers of the employer.
- Provides that the cost of the coverage is \$100 per year and that an employer may purchase the coverage by making quarterly payments on dates prescribed by the board of trustees of the Indiana public retirement system.

Purchase of Service Credit (SEA 265, P.L. 8)

Author: Dennis Kruse, R-Auburn

Sponsor: Casey Cox, R-Fort Wayne

- Permits a member of the public employees' retirement fund (PERF) to purchase at full actuarial cost the member's prior service in the 1977 police officers' and firefighters' pension and disability fund (1977 fund).

- Requires the board of trustees of the Indiana public retirement system to transfer from the 1977 fund to PERF the member's contributions and the present value of the unreduced benefit payable upon retirement that is attributable to the member.
- Requires the transferred amounts to be credited against the contributions required to purchase the member's prior 1977 fund service.
- Permits the member's employer to pay all or a part of the member's contributions required for the purchase of the member's prior 1977 fund service.
- Provides that credit in the 1977 fund for the service that is purchased is waived.
- Makes a technical correction to service purchase provisions of public pension and retirement funds.

Authorization of Unfunded Pension Liabilities (SEA 283, P.L. 111)

Author: Greg Walker, R- Columbus

Sponsor: Woody Burton, R- Greenwood

- Provides that the board of the Indiana public retirement system (INPRS) may determine a term that does not exceed 30 years over which to amortize various unfunded accrued liabilities associated with the funds administered by INPRS.

Payment of Monthly Pension Benefits (HEA 1109, P.L. 127)

Author: Burton, R-Greenwood

Sponsor: Boots, R-Crawfordsville

- Provides that members and beneficiaries of any public pension fund administered by the Indiana public retirement system may receive monthly benefits only by direct deposit or another method approved by the board of trustees of the Indiana public retirement system.
- Repeals a similar but more narrowly applicable section concerning methods of paying monthly benefits to members and beneficiaries of the public employees' retirement fund and the teachers' retirement fund.

Police and Firefighter Retirement Matters (HEA 1150, P.L. 130)

Author: Macer, R-Indianapolis

Sponsor: Boots, R-Crawfordsville

- Makes changes to the 1977 police officers' and firefighters' pension and disability fund to include police officers in several sections of the statute that may logically apply to police officers as well as firefighters.
- Specifies that a state police officer who retires after 25 years of service is entitled to: (1) retain the officer's service weapon; (2) receive a "Retired" badge in recognition of the officer's service; and (3) receive an identification card that indicates that the officer is retired.

Various Pension Matters (HEA 1466, P.L. 241)

Author: Martin Carbaugh, R-Fort Wayne

Sponsor: Liz Brown, R-Fort Wayne

- Provides that an employer that is eligible but not required to participate in the public employees' retirement fund (PERF) must pay the employer's share of the unfunded liability attributable to the employer's current and former employees if the employer withdraws from PERF or otherwise phases out its participation in PERF.
- Establishes a procedure by which a political subdivision may participate in the defined contribution only plan (the plan) and choose whether the political subdivision's employees participate in PERF, the plan, or may elect whether to participate in PERF or the plan.
- Provides that an ordinance or resolution adopted by the governing body of a political subdivision that specifies the departmental, occupational, or other definable classification of employees: (1) who are required to become members of the plan; or (2) who may elect whether to become members of PERF or of the plan; may not take effect before January 2, 2016.
- Permits a political subdivision that allows its employees to make an election to choose a default option for employees who fail to do so.
- Provides that the default option is PERF, if a political subdivision does not choose a default option.
- Permits a political subdivision to establish its employer contribution rate to the plan and to elect to match a percentage of its employees' additional contributions to the plan.
- Requires the board of trustees (board) of the Indiana public retirement system (INPRS) to assess an employer a supplemental contribution to PERF, if necessary, to fund the employer's share of the actuarial accrued liability that is unfunded because the employer's employees are members of the plan rather than PERF.
- Requires the board to notify the interim study committee for pension management oversight (interim committee) if the board determines contributions and contribution rates for one or more employers participating in PERF or the teachers' retirement fund (TRF) that differ from the contributions and contribution rates recommended by the INPRS actuaries.
- For purposes of the statutes allowing the state to make an election or take discretionary action under the public retirement system laws, specifies which entities may make the election or take the action.
- Requires the office of management and budget to report to the interim committee each year concerning information received from political subdivisions about the subdivisions' retirement plans other than plans administered by INPRS.
- Requires participation in the plan by an entity or political subdivision that withdraws from or freezes participation in PERF and thereafter offers its employees a retirement benefit.
- Requires any other public employer that is eligible but not required to participate in PERF and that wishes to offer a retirement benefit to an employee after June 30, 2015, to participate in either PERF or the plan.
- Grandfathers participation in another defined contribution plan for entities, political subdivisions, and other public employers participating in another plan on July 1, 2015.
- Provides that after June 30, 2016, a retired member of PERF or TRF may change the member's beneficiary, if the member and the member's designated beneficiary are no longer in a relationship that caused the member to make the original beneficiary designation.

- Permits a retired member of the 1977 police officers' and firefighters' pension and disability fund (1977 fund) who is at least 55 years of age to: (1) be rehired by the same unit that employed the member in a position covered by the 1977 fund for a position not covered by the 1977 fund without a minimum period of separation from employment; and (2) continue to receive the member's retirement benefit from the 1977 fund.

Public Safety

Various Motor Vehicle Matters (HEA 1047, P.L. 180)

Author: Dave Wolkins, R-Winona Lake

Sponsor: Mike Crider, R-Greenfield

- Authorizes the use of mini-trucks on Indiana roads other than interstate highways. Requires a mini-truck that is operated on an Indiana road to be titled and registered.
- Defines "person" for purposes of titling a vehicle, to include sole proprietorships.
- Requires a dealer of mini-trucks to register as a dealer.
- Imposes an annual excise tax of \$30 on a mini-truck.
- Removes the requirement that an application for the fleet registration program for common registration dates for fleet vehicles contain a certificate of title and registration for all fleet vehicles in the exact name of the fleet operator.

EMS Provider Death Benefit (HEA 1080, P.L. 62)

Author: Karlee Macer, D-Indianapolis

Sponsor: Phil Boots, R-Crawfordsville

- Provides a public safety officer special death benefit to an emergency medical services provider who, after June 30, 2015, dies as a direct result of personal injury or illness resulting from the provider's performance of duties under a contract entered into by the provider's employer to provide emergency medical services for a political subdivision if the provider's employer purchases coverage for all eligible emergency medical services providers of the employer.
- Provides that the cost of the coverage is \$100 per year and that an employer may purchase the coverage by making quarterly payments on dates prescribed by the board of trustees of the Indiana public retirement system.

Immunity for Damage Caused Rescuing a Child (HEA 1161, P.L. 132)

Author: GiaQuinta, R-Fort Wayne

Sponsor: Steele, R-Bedford

- Grants civil immunity to a person who forcibly enters a locked motor vehicle for the purpose of rescuing a child. Does not extend civil immunity to acts involving gross negligence or willful and wanton misconduct.

Fire Training Academy (HEA 1182, P.L. 40)

Author: Randy Frye, R- Greensburg

Sponsor: Mike Crider, R-Greenfield

- Increases the board of firefighting personnel standards and education from 11 to 13 members.
- Allows the division of fire and building safety (division) of the Indiana department of homeland security (IDHS) to establish a fire and public safety academy training system to create and conduct programs to train public safety personnel.
- Allows the division to develop the programs in cooperation with other agencies, organizations, or educational institutions.

Missing Children and Trafficked Children (HEA 1216, P.L. 23)

Author: Randy Truitt, R-West Lafayette

Sponsor: Randy Head, R-Logansport

- Requires the superintendent of the state police department to: (1) provide a written informational pamphlet that includes information concerning the National Center for Missing and Exploited Children and the National Runaway Safeline; and (2) distribute the pamphlet to every law enforcement agency.
- Requires a law enforcement agency to provide the pamphlet to a person making a report of a missing child at the time the person makes the report.
- Provides a defense to the crime of prostitution if the person was a child who was a victim or alleged victim of human or sexual trafficking at the time the person engaged in the prohibited conduct.
- Requires a law enforcement agency to immediately contact the department of child services if the law enforcement agency detains an alleged victim of human or sexual trafficking who is less than 18 years of age.

Reserve Officer Training (HEA 1242, P.L. 100)

Author: Dan Leonard, R-Huntington

Sponsor: Amanda Banks, R-Columbia City

- Requires police reserve officers to complete mandatory inservice training: (1) in interacting with persons with mental illness, addictive disorders, mental retardation, autism, developmental disabilities, and Alzheimer's disease or related senile dementia; and (2) concerning human and sexual trafficking and high risk missing persons.
- Changes the term "mental retardation" to "intellectual disability."

Transportation Networks (HEA 1278, P.L. 175)

Author: Matt Lehman, R-Berne

Sponsor: Carlin Yoder, R-Goshen

- Requires a transportation network company to have a permit issued by the Indiana department of state revenue to provide a digital network for connection to prearranged rides in Indiana.
- Specifies requirements related to: (1) criminal and driving history; (2) drug and alcohol use; (3) vehicle equipment; (4) insurance; (5) fares; (6) privacy; (7) nondiscrimination and accessibility; (8) record maintenance; (9) TNC and TNC driver conduct; and (10) regulation.

Various Motor Vehicle Matters (HEA 1393, P.L. 149)

Author: Ed Soliday, R-Valparaiso

Sponsor: Carlin Yoder, R-Middlebury

- Amends various title, registration, and driver's license requirements and taxing of vehicles.
- Provides that a partial services provider may impose, collect, and retain a convenience fee, subject to the approval of the bureau of motor vehicles commission.
- Requires the bureau of motor vehicles (bureau) to have an annual internal audit.
- Revises requirements for requests by the bureau for evidence of financial responsibility following an accident or a judgment or conviction for a violation of a motor vehicle law.
- Establishes administrative review procedures for claims of material error by the bureau.
- Repeals various provisions concerning: (1) commercial driver's licenses; (2) obsolete fees; (3) division of safety responsibility and driver improvement; (4) appeal of denial or revocation of hazardous materials endorsement; and (5) suspension of driving privileges.
- Repeals chapters concerning the following license plates: (1) Yard tractor repair. (2) Drug free Indiana trust. (3) Indiana food bank trust. (4) Indiana girl scouts trust. (5) Indiana retired armed forces member. (6) Indiana antique car museum trust. (7) Indiana mental health trust.

Supervision of Probationary Drivers (HEA 1394, P.L. 150)

Author: Ed Soliday, R-Valparaiso

Sponsor: Mike Crider, R-Greenfield

- Amends existing supervised driving requirements to receive a learner's permit or an operator's license.
- Provides that an individual with a disability who satisfies certain requirements is eligible to receive an operator's license.
- Repeals a superseded provision concerning probationary operator's licenses.
- Provides that an operator's license issued to an individual who is less than 21 years of age is a probationary license. Under current law, the age limit for a probationary license is 18 years of age.
- Requires the bureau of motor vehicles to adopt rules to establish minimum hours of instruction for approved driver education courses.

Private Toll Facilities (HEA 1397, P.L. 152)

Author: Ed Soliday, R-Valparaiso

Sponsor: Ed Charbonneau, R-Valparaiso

- Authorizes the operator of a private toll facility to enforce toll violations (violation) through an automated traffic law enforcement system.
- Provides that the bureau of motor vehicles (BMV) shall withhold the registration of a vehicle that was operated in the commission of a violation if the owner of the vehicle fails to pay applicable fines and charges and authorizes the BMV to impose a fee for reinstating the registration of a vehicle used in the commission of a violation.
- Provides that the operator of a private toll facility is not required to pay fees for certain BMV records.

Statewide 911 System (HEA 1475, P.L. 157)

Author: Mike Karickhoff, R-Kokomo

Sponsor: Brandt Hershman

IACT Comments: One of IACT's Cornerstone Initiative's passed in HEA 1475 after several years of work. HEA 1475 eliminates the requirement that a local government adopting body (county council or county income tax council) must first pass a property tax relief local option income tax (LOIT) before it can pass the Public Safety LOIT (which can be passed at a rate of .25% and is new revenue). In addition, HEA 1475 contains several position which will be helpful with public service answer point (PSAP) consolidation. It also provides for a 911 fee increase on landline telephones, cell phones and prepaid phone products.

- Removes the requirement that a county council (for a county adjusted gross income tax) or a county income tax council (for a county option income tax) must impose certain additional tax rates as a condition of imposing an additional tax rate for public safety (public safety LOIT).
- Provides that in a county in which a public safety LOIT is not in effect on July 1, 2015, the county council or county income tax council (as appropriate) may adopt a resolution providing that up to 100% of the tax revenue from a public safety LOIT imposed by a county shall be dedicated to a PSAP in the county that is part of the statewide 911 system.
- Provides that in a county in which a public safety LOIT is in effect on July 1, 2015, the county council or county income tax council (as appropriate) may adopt a resolution providing that up to 100% of the public safety LOIT tax revenue derived from the part of the tax rate that exceeds the tax rate in effect on July 1, 2015, shall be dedicated a PSAP in the county that is part of the statewide 911 system.
- Authorizes the fiscal bodies of a county and another political subdivision that are parties to a contract under which the county has assumed the responsibility of operating a PSAP to jointly petition the department of local government finance to adjust the maximum property tax levies of the respective units.
- Increases the enhanced prepaid wireless charge from \$0.50 to \$1.
- Increases the statewide 911 fee for a standard user from \$0.90 to \$1.
- Provides that: (1) the statewide 911 board (board) may increase the enhanced prepaid wireless charge and the statewide 911 fee only one time after June 30, 2015, and before July 1, 2020 (and only after review by the budget committee); and (2) if the charge or fee is increased, the amount of the increase must be ten cents.

- Establishes a \$1 enhanced prepaid wireless charge, a \$1 statewide 911 fee, and payment schedules for providers that are designated as eligible telecommunications carriers for purposes of receiving reimbursement from the universal service fund.
- Authorizes the board to audit wireless telecommunications service providers on an annual basis to determine compliance with statewide 911 laws.
- Beginning with the 2016 fiscal year, requires the board to ensure a distribution of statewide 911 fees to each county in an amount equal to the amount distributed to the county in the 2014 fiscal year.
- Requires PSAPs to provide an annual report to the board concerning dispatch costs and funding.
- Requires the board to forward the report to the general assembly.

Speed Limits in School Zones (SEA 35, P.L. 29)

Author: Phil Boots, R-Crawfordsville

Sponsor: Donna Schaibley, R-Carmel

- Provides that a city, town, or county may establish a speed limit of not less than 20 miles per hour on a street or highway upon which a school is located if the street or highway is under the jurisdiction of the city, town, or county. Current law provides that the speed limit may not be less than 30 miles per hour outside an urban district.

Controlled Substance Data Base (SEA 168, P.L. 201)

Author: Patricia Miller, R-Indianapolis

Sponsor: Ed Clere, R-New Albany

- Permits physicians who hold a temporary medical license to have access to confidential information in the Indiana scheduled prescription electronic collection and tracking (INSPECT) program.

Northwest Indiana Law Enforcement Academy (SEA 193, P.L. 75)

Author: Jim Arnold, R-

Sponsor: Linda Lawson, R-Hammond

- Designates the Northwest Indiana Law Enforcement Academy as a criminal justice agency, and specifies that it is a board certified training center. Defines the powers and duties of its board of directors.

Chauffeur's License Exemption (SEA 197, P.L. 26)

Author: Carlin Yoder, R- Goshen

Sponsor: Ed Soliday, R-Valparaiso

- Authorizes an individual to transport: (1) a recreational vehicle; or (2) a towing vehicle and recreational vehicle; without a chauffeur's license in certain circumstances.

[Confidential Victim Services Requests \(SEA 289, P.L. 9\)](#)

Author: Jim Arnold, R-LaPorte

Sponsor: Wendy McNamara, R-Evansville

- Permits, for purposes of the public records law, a law enforcement agency to share certain information with a crime victim advocate without the agency losing the discretion to keep this information confidential from other persons requesting records.

[Crisis Intervention Teams \(SEA 380, P.L. 115\)](#)

Author: Mark Stoops, D-Bloomington

Sponsor: Hal Slager, R-Schererville

- Requires the law enforcement training academy to include an overview of crisis intervention team (CIT) training model in initial training.
- Establishes the Indiana technical assistance center for crisis intervention teams to: (1) identify grants and other funds that may be used to fund CIT programs; (2) create and support a statewide CIT advisory committee; and (3) provide training, information, and technical assistance.

[Autocycles and Motorcycles \(SEA 383, P.L. 82\)](#)

Author: Brandt Hershman, R-Buck Creek

Sponsor: Heath VanNatter, R-Kokomo

- Defines autocycle for purposes of the motor vehicle code
- Provides that an autocycle is a motorcycle.
- Removes the requirement that the handlebars of a motorcycle or a motor driven cycle rise not higher than the shoulders of the driver when the driver is seated.
- Provides that the operator of or a passenger on an autocycle who is less than 18 years of age is not required to wear a helmet or protective face equipment.
- Regulates the operation of autocycles.

[Overdose Intervention Drugs \(SEA 406, P.L. 32\)](#)

Author: Jim Merritt, R-Indianapolis

Sponsor: Jud McMillin, R-Brookville

- Requires certain emergency personnel to report to the state department of health the number of times an overdose intervention medication is administered.
- Allows specified health care professionals with prescriptive authority to dispense, write a prescription, or prepare a standing order for an overdose intervention drug without examining the individual to whom it may be administered if specified conditions are met.
- Allows for an individual who is a person at risk, a family member, friend, or other individual or entity in a position to assist another individual who, there is reason to believe, is at risk of experiencing an opioid-related overdose, to obtain and administer an overdose intervention drug if certain conditions are met.
- Provides for civil immunity.

[Shotguns \(SEA 433, P.L. 84\)](#)

Author: Jim Tomes, R- Jeffersonville

Sponsor: Jim Lucas, R-Seymour

- Repeals the prohibition against manufacturing, importing, selling, or possessing a sawed-off shotgun.
- Provides for a 10 year sentence enhancement if a person possesses a sawed-off shotgun in violation of federal law while committing certain offenses.

[Fire and Emergency Response Issues \(SEA 484, P.L. 85\)](#)

Author: Mike Crider, R-Greenfield

Sponsor: Randy Frye, R-Greensburg

- Creates the intrastate mutual aid compact to complement existing mutual aid agreements. Allows the Indiana department of homeland security (IDHS) to deploy a national urban search and rescue response system task force as a state resource during Indiana emergencies and disasters, in conformance with federal requirements, through an agreement with a political subdivision that is a sponsoring agency of a task force.
- Repeals the interstate emergency management and disaster compact. Repeals the local emergency planning and right to know fund administered by the department of state revenue.
- Moves the statute concerning the local emergency planning and right to know fund but continues to have the fund administered by the state department of revenue.
- Requires fees paid by facilities submitting tier II emergency and hazardous chemical inventories to be paid to the Indiana emergency response commission for deposit in the local emergency planning and right to know fund.

[Human Trafficking, Promoting Prostitution and Adult Entertainment Performers \(SEA 532, P.L. 237\)](#)

Author: Randy Head, R-Logansport

Sponsor: Wendy McNamara, R-Mount Vernon

- Provides that, for purposes of the law concerning actions for indecent nuisances, an indecent nuisance includes a public place in or upon which human trafficking is conducted, permitted, continued, or exists, and the personal property and contents used in conducting and maintaining the place for such a purpose.
- Establishes the human trafficking prevention and victim assistance fund to fund human trafficking victim services and human trafficking prevention programs.
- Provides that: (1) 80% of money collected in the seizure of property used in connection with human trafficking will be transferred to the human trafficking prevention and victim assistance fund; and (2) 20% of the money will be transferred to the county for use by the prosecuting attorney.
- Allows a law enforcement agency to seize real or personal property, including a vehicle, that is used by a person to: (1) commit, attempt to commit, or conspire to commit; (2) facilitate the commission of; or (3) escape from the commission of; an offense concerning human trafficking or promoting prostitution.

- Requires: (1) the Indiana prosecuting attorneys council to make an annual report to the legislative council concerning civil property forfeitures conducted in Indiana; and (2) the state police department to annually report to the legislative council the amount of money it has received from the federal government as the result of property forfeitures conducted by the federal government.
- Requires a holder of an alcohol retailer's permit that provides adult entertainment on the licensed premises to: (1) require adult entertainment performers to provide proof of age and proof of legal residency; (2) take a photograph of each adult entertainer who auditions to provide adult entertainment at the licensed premises and retain the photograph for at least three years; (3) require all employees to sign a document acknowledging their awareness of the problem of human trafficking; (4) display human trafficking awareness posters in at least two places in the licensed premises; and (5) cooperate with any law enforcement investigation. Authorizes the alcohol and tobacco commission to suspend, revoke, or refuse to renew a retailer's permit if the permit holder fails to comply with these requirements.

Transportation

State Biennial Budget (HEA 1001, P.L. 213)

Author: Tim Brown, R-Crawfordsville

Sponsor: Luke Kenley, R-Noblesville

IACT Comments: The biennial budget contains many provisions that impact cities and towns. First, it increases the fee for State Board of Accounts' audits of local unit of government from \$45 per day to \$175 per day. As a protection, the fees collected for audits must be deposited in the State Board of Accounts Trust and Agency Fund, which is a dedicated fund that can only be used to cover the expenses of conducting audits of local units. Second, it fully funds the Regional Cities Initiative by guaranteeing the first \$84 M of a tax amnesty program to the Indiana Regional Cities Development Fund. It also requires the Statewide 911 Board to hold distributions in reserve until counties come into compliance with the requirement of a maximum of two PSAPs. Finally, it contains clean up language from HEA 1019, which repeals the Common Construction Wage and adds additional requirements for contractors working on public works projects.

- Increases the fee for taxing units for State Board of Accounts audits from \$45 per day to \$175 per day.
- Provides that fees collected for audits are to be deposited in the State Board of Accounts Trust and Agency Fund and makes the fund a dedicated fund that can be used to cover expenses of doing audits.
- Requires the Department of State Revenue to establish a tax amnesty program with the first \$84 M collected deposited into the Indiana Regional Cities Development Fund.
- Delays until July 1, 2016, the application of the following requirements to public works projects that were in HEA 1019-2015: (1) That a contractor be qualified by the Department of Administration or the Department of Transportation before doing any work on a public works project. (2) That a contractor that employs 10 or more employees provide access to an appropriate training program. (3) That a tier 1 or tier 2 contractor that employs 50 or

more journeymen participate in an apprenticeship or training program for those employees.
(4) That a contractor that is awarded a public works contract with an estimated cost of at least \$150,000 by a public subdivision have an employee drug-testing program.

- Reduces the "small project" cap for political subdivision public works projects from \$300,000 to \$250,000. It also adds programs of additional federal and state agencies to the list of acceptable training programs and specifies that a contractor submit employee E-Verify information to the public agency letting the public works contract.
- Establishes a program to provide matching grants to the Northwest Indiana Regional Development Authority for projects extending the Chicago, South Shore and South Bend Railway.
- Requires the Statewide 911 Board to hold distributions in reserve until the county complies with the requirement of a maximum of two PSAPs.
- Allows the Budget Agency to transfer \$100 M from the State General Fund to the Major Moves Trust Fund each year of the biennium.

Motor Vehicle Matters (HEA 1017, P.L. 13)

Author: Bob Cherry, R-Greenfield

Sponsor: Mike Crider, R-Greenfield

- Defines: (1) "commercial motor vehicle," "gross combination weight rating," "gross combination weight," and "gross vehicle weight rating" for purposes of commercial motor vehicles to comply with federal standards; and (2) "gross vehicle weight" for purposes of commercial motor vehicles.
- Provides for an exception relating to overweight vehicles for certain vehicles transporting logs, wood chips, bark, and sawdust.
- Amends the definition of "farm tractor" to include farm tractors in the definition of "implement of agriculture."
- Excludes wagons, trailers, and other vehicles pulled by a farm tractor from the definition of "farm tractor."

Statutory Authorization to Construct Interstates (HEA 1036, P.L. 94)

Author: John Price, R-Greenwood

Sponsor: Rod Bray, R-Martinsville

- Removes requirement that the general assembly enact a statute authorizing the construction of I-69 in Perry Township (Marion County) before I-69 may be constructed in Perry Township.

Transportation Networks (HEA 1278, P.L. 175)

Author: Matt Lehman, R-Berne

Sponsor: Carlin Yoder, R-Goshen

- Requires a transportation network company to have a permit issued by the Indiana department of state revenue to provide a digital network for connection to prearranged rides in Indiana.

- Specifies requirements related to: (1) criminal and driving history; (2) drug and alcohol use; (3) vehicle equipment; (4) insurance; (5) fares; (6) privacy; (7) nondiscrimination and accessibility; (8) record maintenance; (9) TNC and TNC driver conduct; and (10) regulation.

Private Toll Facilities (HEA 1397, P.L. 152)

Author: Ed Soliday, R-Valparaiso

Sponsor: Ed Charbonneau, R-Valparaiso

- Authorizes the operator of a private toll facility to enforce toll violations (violation) through an automated traffic law enforcement system.
- Provides that the bureau of motor vehicles (BMV) shall withhold the registration of a vehicle that was operated in the commission of a violation if the owner of the vehicle fails to pay applicable fines and charges and authorizes the BMV to impose a fee for reinstating the registration of a vehicle used in the commission of a violation.
- Provides that the operator of a private toll facility is not required to pay fees for certain BMV records.

Natural Resource Matters (HEA 1452, P.L. 155)

Author: Sean Eberhart, R- Shelbyville

Sponsor: Sue Glick, R- LaGrange

- Allows the department of administration to sell abandoned railroad corridor property to an adjacent landowner under certain conditions.
- Adds supplies purchased for resale at properties owned or managed by the department of natural resources (department) to the purchases exempt from the public purchasing requirements.
- Allows the state forester to use a geographic information system for classified land inspections if a landowner chooses to not accompany the state forester on the inspection.
- Provides that certain information concerning an endangered species may be kept confidential.
- Allows the director of the department to issue an order vacating a public highway within property owned or managed by the department.
- Provides that rules adopted by the department concerning the use of motorized carts at state parks and recreation areas must comply with the Americans with Disabilities Act.
- Allows the natural resources commission (commission) to set the compensation rate for the development of game bird habitats.
- Specifies that certain restrictions on the transfer of fish do not apply to the roe bearing fish that are separately regulated as roe bearing fish.
- Allows licenses, stamps, and permits of the department that are purchased electronically to be validated through an electronic affirmation.
- Provides that trout and salmon stamps are electronically generated.
- Provides that a duplicate license to hunt, trap, or fish is valid only with the signature or electronic affirmation of the licensee.
- Establishes the date by which a fur buyer's report must be submitted to the department.

- Provides that a law enforcement officer may seize certain animals and items if certain laws are violated. Current law requires seizure.
- Allows certain floodway permits to be renewed for five years. Transfers control of the flood control revolving fund from the commission to the Indiana finance authority.
- Increases the amount of a surety bond that a timber buyer must pay to engage in the business of timber buying in Indiana. Increases the maximum security required for a timber buyer's license to \$50,000 beginning January 1, 2017. Removes the requirement that a timber buyer designate a principle agent.

Recreational Trails and Guidelines (HEA 1471, P.L. 67)

Author: Bill Friend, R-Macy

Sponsor: Erin Houchin, R-Salem

IACT Comments: HEA 1471 requires, before March 1, 2016, the Department of Natural Resources to develop guidelines regarding the construction and maintenance of recreational trails in Indiana. This will be a great optional resource for cities and towns to help avoid common mistakes as well as solve common issues with recreational trails. Nothing in this bill is binding on cities and towns.

- Requires the division of outdoor recreation of the department of natural resources to develop recreational trails guidelines to address the following issues as they relate to recreational trails: (1) Clear statement of ownership and management of each trail. (2) Right-of-way inconsistencies. (3) Fence line and drainage issues. (4) Tree and brush control. (5) Weed and mowing issues. (6) Law enforcement jurisdiction issues. (7) Signage issues. (8) Conflict resolution procedures. (9) Appeal procedures. (10) Use by public utility facilities.

Obstructions at Railroad-Highway Grade Crossings (SEA 27, P.L. 162)

Author: Dennis Kruse, R-Auburn

Sponsor: Ben Smaltz, R-Auburn

- Imposes a minimum judgment of \$200 for blocking a railroad-highway grade crossing.
- Deposits funds collected as judgments in the industrial rail service fund.
- Urges the legislative council to assign to an interim study committee for the 2015 interim period the topic of blocked railroad grade crossings.

Utilities

Broadband Ready Communities (HEA 1101, P.L. 18)

Author: Eric Koch, R-Bedford

Sponsor: Erin Houchin, R-Salem

IACT Comments: Lt. Governor Sue Ellspermann led a group of industry representatives last summer in discussions to identify ways to encourage greater broadband deployment and access in rural areas of the state. HB 1101 was inspired in part by the workings of the Rural Broadband Working Group (read report here). HB 1101 establishes a Broadband Ready Communities Development Center within the IEDC and provides a new designation of “Broadband Ready Community” for units of local government who wish to participate. If your city or town is interested in becoming a Broadband Ready Community, please contact Rhonda Cook at rcook@citiesandtowns.org.

- Establishes the broadband ready communities development center (center) within the Indiana economic development corporation to facilitate certain communications projects.
- Provides that the center may designate a unit of local government as a broadband ready community if the unit establishes a procedure to review applications and issue permits for the communications projects.

Communications Services and Energy Production (HEA 1318, P.L. 145)

Author: Eric Koch, R-Bedford

Sponsor: Brandt Hershman, R-Buck Creek

IACT Comments: This bill was promoted by AT&T and other wireless providers. As initially introduced, it would have eliminated most (if not all) of local’s authority to regulate permitting for wireless towers. Our team met frequently with AT&T and other stakeholders to strike a balance that streamlines the process while also preserving local control. If your city or town has an ordinance for wireless tower permitting, you may need to review this law and amend your ordinance accordingly.

- Eliminates the state requirement that a communications service provider allow a physical connection by other providers to its system.
- Establishes a uniform statewide procedure for applications for and issuance of permits for the construction and modification of structures and facilities for the provision of wireless communications service.
- Specifies that local planning and zoning laws apply to the issuance of permits for communications structures and facilities under the new provisions.
- Requires applications for permits to show evidence of compliance with criteria set forth in applicable zoning ordinances with respect to special exceptions, special uses, contingent uses, conditional uses, and variances.
- Provides that a permit authority may not: (1) require an applicant to submit information about; or (2) evaluate; certain business decisions of the applicant.
- Specifies that the Indiana department of transportation, the Indiana finance authority, the state of Indiana (and its agencies, departments, boards, commissions, authorities, and instrumentalities), and the director of the department of natural resources (DNR) are not permit authorities for purposes of the provisions.
- Defines "utility" for purposes of the law concerning utility easements across land under the jurisdiction of the DNR to include a communications service provider.

- Provides that the director of the DNR may not impose a charge to issue a permit to erect or construct a utility line upon or across a public highway right-of-way that passes through state land.
- Urges the legislative council to assign to the interim study committee on energy, utilities, and telecommunications (committee) the topic of amending Indiana's statute concerning alternate energy production, cogeneration, and small hydro facilities to: (1) include as private generation projects under the statute certain cogeneration facilities; and (2) include as eligible facilities under the statute certain alternate energy production facilities, cogeneration facilities, and small hydro facilities.
- Provides that if the topic is assigned to the committee, the committee shall issue a final report, including any recommendations for legislation, to the legislative council not later than November 1, 2015.

[Acquisition of Distressed Utilities \(HEA 1319, P.L. 189\)](#)

Author: Eric Koch, R-Bedford

Sponsor: Ed Charbonneau, R-Valparaiso

- Provides that a public water or wastewater utility that acquires the utility property of a "distressed utility" may petition the utility regulatory commission to include the "cost differential" associated with the acquisition as part of its rate base.
- Requires the commission to approve a petition under certain circumstances.
- Requires the commission to report annually to the interim study committee on energy, utilities, and telecommunications concerning such acquisitions.
- Requires the department of natural resources (department) to cooperate with the United States Geological Survey (USGS) to establish a program under which volunteers may monitor the water resource (which includes both ground and surface water) and provide monitoring data to the natural resources commission, the department, and the USGS.

[Sale of NonSurplus Municipal Utility Property \(HEA 1505, P.L. 68\)](#)

Author: Heath VanNatter, R-Kokomo

Sponsor: Doug Eckerty, R-Muncie

- Amends the procedures for the sale or disposition of nonsurplus municipally owned water, wastewater, or combined water and wastewater utility property.
- Provides that the municipal legislative body shall hold the required hearing on the sale or disposition not later than 90 days, instead of 45 days under current law, after the return of the appraisal concerning the property.
- Provides that the legislative body may adopt an ordinance providing for the sale or disposition not less than 30 days or more than 60 days after the date of the required hearing on the proposed sale or disposition. Under current law, the ordinance may be adopted at the hearing.
- Provides that not later than 30 days after an ordinance is adopted, registered voters of the municipality may submit a signed petition opposing the proposed sale or disposition. Current law allows registered voters to submit such a petition within the 30 day period from the date of notice of the hearing to the date of the hearing on the proposed sale or disposition.

- Sets forth new numbers for the required number of signatures for a petition opposing a sale or disposition, based on the number of registered voters in a municipality. Under current law, the required number of signatures is based on the number of registered voters required for a petition to place a candidate on a ballot.
- Specifies the effective date of an ordinance adopted under these procedures.
- Specifies that an ordinance that: (A) is adopted before July 1, 2015, under the procedures set forth in current law; and (B) takes effect before July 1, 2015, in accordance with current law; is not subject to challenge under the amended procedures, regardless of whether the 30 day period after the date of adoption of the ordinance expires after June 30, 2015.

Integrated Resource Plans and Energy Efficiency (SEA 412, P.L. 246)

Author: Jim Merritt, R-Indianapolis

Sponsor: Eric Koch, R-Bedford

- Requires a public utility to submit an integrated resource plan to the utility regulatory commission (IURC).
- Requires certain electricity suppliers to submit an energy efficiency plan to the IURC at least one time every three years. Provides that evaluation, measurement, and verification procedures required to be included in an electricity supplier's energy efficiency plan must include independent evaluation, measurement, and verification. Provides that the IURC may not require a third party administrator to implement an electricity supplier's energy efficiency program or plan.
- Provides that if the IURC finds an electricity supplier's energy efficiency plan to be reasonable, the IURC shall allow the electricity supplier to recover or receive certain energy efficiency program costs.
- Provides that a retail rate adjustment mechanism proposed by an electricity supplier to recover program costs may be based on a reasonable forecast.
- Provides that if forecasted data is used, the retail rate adjustment mechanism must include a reconciliation mechanism to correct for any variance between forecasted and actual program costs.
- Specifies that an industrial customer's previous opt out of an energy efficiency program of an electricity supplier constitutes an opt out of an energy efficiency program that is part of the electricity supplier's required energy efficiency plan.

Analysis of Water Utility Planning and Needs (SEA 474, P.L. 91)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: Eric Koch, R-Bedford

IACT Comments: The General Assembly recognizes the fact that the planning and proper management of the state's water supply may become a challenge for both businesses and citizens in the near future. SEA 474 is a proactive measure to gather data about water resources across the state and prepare a long-term plan for managing Indiana's water supply.

- Requires the Indiana finance authority (authority) to prepare an analysis of the planning and long range needs of: (1) the water utilities serving the 15 most populous cities in

Indiana; and (2) five other water utilities selected by the authority, each of which serves fewer than 10,000 customers.

- Authorizes the authority to contract with professionals or with a state educational institution for the performance of some or all of the authority's duties relating to the analysis.
- Requires the authority to complete the analysis and submit it to the legislative council not later than November 1, 2015.
- For calendar year 2015, relieves the utility regulatory commission of the duty to submit an annual report concerning water utilities to the legislative council and the interim study committee on energy, utilities, and telecommunications.

Utility Infrastructure Improvements (SEA 516, P.L. 212)

Author: Ed Charbonneau, R-Valparaiso

Sponsor: Mike Speedy, R-Indianapolis

- Amends the law on water and wastewater utility distribution system improvement charges so that the law applies to municipally owned utilities and not-for-profit utilities as well as to public utilities.
- Allows a municipally owned utility or not-for-profit utility that is under the jurisdiction of the utility regulatory commission (commission) for the approval of rates and charges to petition the commission for the adjustment of its basic rates and charges to provide for the recovery of infrastructure improvement costs.
- Provides that "infrastructure improvement costs" for a municipally owned utility means debt service and depreciation expenses associated with eligible infrastructure improvements and, for a not-for-profit utility, means debt service associated with eligible infrastructure improvements.
- Defines "eligible infrastructure improvements" for purposes of municipally owned and not-for-profit utilities.
- Allows the commission to consider certain factors in determining the amount of infrastructure improvement costs that a not-for-profit utility or a municipally owned utility will be allowed to recover.